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Washington LABOR MARKET

JOB SERVICE

Washington State
Employment Security

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Commissioner

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In cooperation with the
Employment and Training
Administration
U.S. Department of Labor

October 1988

Highlights

Labor Surplus Areas--Page 12

Unemployment Rate Below Six Percent

The total unemployment rate in Washington State fell from 6.1 percent in August to 5.8 percent in September marking the first time since 1979 that the rate has been below six percent. And for September, the unadjusted rate was the lowest since 1969.

While unemployment in the state as a whole is exceptionally low, the seasonally adjusted rate has shown little change since April, and has remained at 6.6 percent since July. Total employment after seasonal adjustment has also shown little change since April, although the job total has advanced a substantial 77,800, or 3.6 percent, over the year. National labor force data have shown a similar pattern since this spring, while growth in the Gross National Product (GNP) moderated in the third quarter.

Volume 12, Number 10

	Sept. 1988* (Prel.)	Aug. 1988* (Rev.)	Sept. 1987
Civilian Labor Force	2,345,100	2,341,700	2,285,500
Total Employment	2,210,000	2,198,100	2,132,200
Total Unemployment	135,100	143,600	153,300
State Unemployment Rate	5.8	6.1	6.7
National Civilian Unemployment Rate	5.2	5.4	5.7

*These data represent alternative estimates of labor force conditions developed by the State Employment Security Department. They are more comparable with data released in previous years than are the official Bureau of Labor Statistics estimates developed for federal program purposes. (Data in this table are not seasonally adjusted.)

Growth in Economy Slows

The GNP increased at an annual rate of 2.2 percent in the third quarter, down from 3.0 percent in the second quarter and 3.4 percent in the first quarter. The slowdown is in line with the Federal Reserve Board's desire for an annual growth rate of 2.5 percent in the final six months of 1988 to reduce inflationary pressures. Higher interest rates undoubtedly influenced the slowdown, but the drought was also a factor. The drought reduced third quarter growth in the GNP by 0.6 percentage point, while the nonfarm economy expanded at a 2.8 percent annual rate. Fourth quarter GNP growth is expected to be cut by 1.25 percentage points by the drought because most of the crops which were affected would have been harvested during that period.

Inflation showed little change in the third quarter. According to the GNP price index, prices rose at an annual rate of 4.9 percent compared with five percent in the second quarter. The rate of inflation, however, remained substantially higher than in the first quarter when it rose at an annual rate of 3.5 percent.

INDUSTRY DEVELOPMENTS

Schools and Apple Harvest Boost Employment

Both the recall of thousands of bus drivers, cafeteria workers and other support staff signaling the beginning of a new school year, and the apple harvest in Eastern Washington helped boost total employment in the state 11,900 between August and September. The overall gain was limited by a decline in tourist business and other summer activities. Self employment also declined seasonally, largely among activities such as lawn and garden care, carnival and fair concessionaires, and direct sales.

Apple Harvest Smaller But Prices And Quality Up

The apple harvest in Eastern Washington began in September and continued through October. Over 14,000 workers were employed directly in the harvest in September. The size of this year's crop was estimated to be one-third less than the record crop last year. Nationally, the forecast is for a drop of 23 percent from 1987. The quality of Washington's apples is better this year, however. Last year, prolonged hot weather delayed the harvest and resulted in less color than desired and sunburned fruit. With better quality and a smaller crop, apple prices are considerably higher this year.

Public Education Jobs Up 17,100

Nonfarm payrolls rose 21,800 in September with most of the increase resulting from the start of a new school year. Public education alone rose 17,100 as bus drivers, cafeteria workers, teacher aides and other support staff laid off in June were recalled. (Certificated teachers are considered employed year-round since they are paid on a 12-month basis.) Public education payrolls will post another sizable increase in October when many colleges begin a new academic year and as primary and secondary schools round out their staffing for the new school year.

Summer Government Jobs End

The overall increase in government civilian employment totaled 10,600 in September as the expansion in education was partially offset by the usual termination of summer park, playground, and forestry workers. In addition, work-experience programs for disadvantaged youth ended in September.

The start of a new school year also boosted employment in the services group (up 4,800) because of the reopening of private schools and colleges. Day care facilities added staff because older school-age children were no longer available to supervise younger children. Health care and business services employment expanded moderately in September, while most other service industries posted seasonal losses.

Summer Tourist Season Ends

With the summer tourist season over, employment dropped at hotels, motels, summer camps and other supervised youth activities, golf courses and amusement parks. The Western Washington Fair, held in Puyallup each September, moderated the decline in amusements. The fair is the eighth largest in the nation and employs 1,200 workers directly during its operation, according to newspaper reports. Hundreds of other workers are employed at restaurants, food stands, and concessions on the fairgrounds in September.

Fewer Retail Trade Workers

The end of the summer also reduced retail trade payrolls (down 1,100) in September. Restaurants and food stores lowered staffing because of fewer tourists. Building material and garden stores cut back because their peak season was over for the year. Back-to-school sales increased employment at most department and apparel stores, but a reduction by one large retailer following a special August sale offset those increases.

The Big Apple

Wholesale trade advanced 2,700 in September to more than offset the loss on the retail level. Nearly all of the increase occurred at Eastern Washington warehouses which were busy packing, shipping and storing this year's apple crop.

In other nonmanufacturing industries, transportation, communications and utilities employment rose 700. Farm-to-market hauling boosted trucking; longshoring jobs increased, and local transportation expanded because of the beginning of the new school year. (Drivers and support workers employed by private firms under contract with schools to provide bus services are included in transportation- communications and utilities rather than government. Contracting out for transportation by school districts has been increasing in recent years.)

Finance, insurance and real estate fell 600 with the largest drop in real estate where peak activity was over for the year. Banking, insurance and security dealers also cut back with the need for vacation-replacement workers over for the year. Construction payrolls inched up 200 to their peak level for the year. Deteriorating weather conditions will reduce employment in the building trades during the fall and winter months.

Manufacturing Employment up 4,400

Manufacturing employment rose 4,400 between August and September with most of the gain in lumber and food processing. Employment in lumber and wood products rose 1,900 but 1,600 of the increase resulted from the settlement of labor disputes. Logging employment, however, declined because of fire hazard restrictions in the state's forests. Canneries and freezing plants added 1,200 workers in September to match their year-earlier level. Payrolls in the industry will begin to decline in October as the processing of late summer vegetables winds down.

Steady Growth Continues In Aerospace

In other manufacturing industries, aerospace continued to expand at a moderate pace gaining 600 in September. The cumulative year-to-date gain in the industry totaled 4,300 at the close of the third quarter.

Boeing to Build Plant in Spokane

In October, The Boeing Company announced it would build a small manufacturing plant in Spokane to make fiberglass and Kevar ducking, and research automated production of floor paneling for its jets. Construction is scheduled to being next spring with production beginning in 1990. The plant would initially employ 350 workers but could eventually employ up to 500 if the floor panel manufacturing process is successful.

Stepped-up capital investments by manufacturers responding to improving export markets, increased employment in machinery by 300. Fabricated metals added 200 in response to increased demand from a strong construction industry. Payrolls in chemicals remained weak with a loss of 200 in September due to cutbacks at Hanford. Recent reports, however, indicate that Hanford may only lose an additional 500 workers in the next 12 months because of waste clean up work on the nuclear reservation.

Nonfarm Jobs Up 4.5 Percent Over the Year

Nonfarm employment in the state continues to maintain a substantial gain over the year, adding 81,800 jobs for an increase of 4.5 percent in the latest 12 months. Nationally, the nonfarm job total was up 3.7 percent year-to-year in September. As is the case nationally, much of the expansion has occurred in the retail trade and the service industries. In Washington State retail trade rose 15,600 and services added 25,100 over the year to account for nearly one-half of the new nonfarm jobs.

The Big Spenders

The large increases in retail trade and services can be largely explained by demographic trends. While the state's total population rose 10.5 percent from 1980 through 1988, the number of people aged 30-54 jumped 29 percent because of the maturing of the baby boom generation. People in that age group are often at the peak of the earning power and are the major customers of retail trade and service establishments. Moreover, strong growth should continue in these industries for several years. While the state's total population is expected to rise 16 percent by the year 2000, the number of 30-54 year olds is projected to increase 28 percent.

Shortage of Young Workers to Grow

The expansion in the retail trade and service industries, which employ many youth, combined with a decline in the number of youth, has created a substantial shortage of entry-level workers. The shortage will become even more acute in the next few years. While the number of 16-19 year olds fell 11 percent in the eight year since 1980, another 11 percent drop is expected in the next four years.

AREA TRENDS

Unemployment Down In Eastern Washington, Up In Logging Areas

East of the Cascades the apple harvest, related work, and the beginning of a new school year combined to boost total employment 19,800 and lower the overall unemployment rate from 8.4 percent in August to 6.6 percent in September. Total employment in Western Washington was down moderately as the increase in education was more than offset by the end of the summer tourist season and cutbacks in logging because of fire hazard conditions.

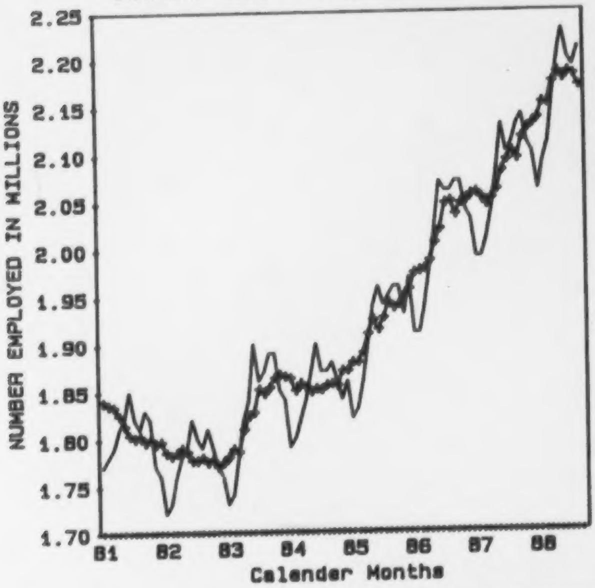
The jobless rate in Western Washington overall remained unchanged at 5.5 percent. In counties where lumber is the major industry, however, the jobless rate rose from 8.4 to 9.9 percent between August and September. (The settlement of most labor disputes in the lumber industry had little effect on total employment and unemployment since individuals on strike are considered employment, but not on the job, in estimates of total employment. They are not included in industry employment estimates, however.)

Eastern Washington counties, where the apple harvest was underway in September, experienced dramatic drops in their jobless rates. Typical of these areas were Yakima County, where the rate fell from 11.3 to 7.5 percent between August and September, Okanogan County, which saw its rate fall from 14.0 to 8.7 percent, and the Wenatchee area, where the rate dropped from 11.3 to 6.8 percent.

In Western Washington most metropolitan areas recorded moderate declines in unemployment, but those reductions were offset by sharply higher unemployment in counties highly dependent on logging. In the major Western Washington metropolitan areas of Seattle (4.6 percent), Tacoma (6.0 percent) and Vancouver (5.4 percent) the jobless rate declined two-tenths of a point from August. In Clallam County, by contrast, the rate jumped from 7.0 to 11.0 percent, while Grays Harbor saw its rate climb from 9.3 to 13.3 percent. Rates in these and other lumber industry dependent counties, however, should decline in October because of the lifting of restrictions on logging.

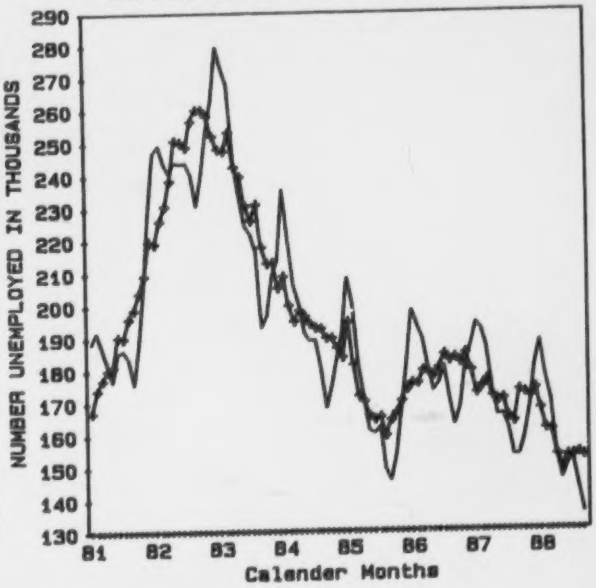
STATE TOTAL EMPLOYMENT

JANUARY 1981 Through SEPTEMBER 1988



STATE TOTAL UNEMPLOYMENT

JANUARY 1981 Through SEPTEMBER 1988



+ SEASONALLY ADJUSTED – NOT SEASONALLY ADJUSTED

INDUSTRY NOTES

More Orders For Boeing Jetliners

Orders for Boeing jetliners continue to roll in and totaled 560 aircraft worth $25.8 billion in the first ten months of 1988, a record for any year. Moreover, major orders are pending with GPA/Rolls Royce leasing partnership and United Airlines. Boeing's previous record was set last year when it sold 366 jets valued at $19.89 billion for the entire year. In October Boeing received an order for 31 jets valued at $1.1 billion from British Airways together with options for 18 additional aircraft which could boost the total value of the order to $1.8 billion. Boeing also received an order for 12 jets from Trans European Airways worth over $350 million in October, and orders for three 747-400 jumbo jets and two 757-200s from three other airlines valued at $540 million.

Six-Day Work Week For Some Boeing Workers

In an effort to increase aircraft production following four years of record orders, The Boeing Company notified workers at its Auburn-based fabrication division that they are scheduled to work six-day weeks in the months ahead. The fabrication division employs 16,000 workers, according to news reports, but Boeing could not say how many would be affected. Mandatory overtime has been in effect at Boeing's Everett and Renton final-assembly plants for several months.

Longview Lumber Mill to Close

The Weyerhaeuser Company announced it would close its Mill B and a veneer lathe in Longview at the end of January. Approximately 250 workers will be affected. A company spokesman said both operations were unprofitable. Mill B was built to cut large logs but has lost money because of the declining supply of old growth trees and the high price of logs. The veneer lathe, which is in Mill A, is being closed because an oversupply of plywood and non-veneer panels has reduced prices. Weyerhaeuser is expected to provide the employees affected with a severance package which may include severance pay, help in finding a new job, early retirement and preferential consideration for other jobs with Weyerhaeuser.

Weyerhaeuser also announced in October that it will spend $10 million to improve the efficiency and extend the life of its White River sawmill. Approximately 30 jobs may be eliminated, however, because of the improvements. The improvements will permit the mill to cut one of three shifts and still produce the same volume of lumber.

Bayline May Add 960 Jobs in Arlington

In September Bayliner Marine Corp. announced plans to expand its Arlington plant and add 960 jobs in the next three years. The project, however, depends on the construction of a sewer in the area. A $300,000 loan for the project to the city of Arlington was approved by the state's Community Economic Revitaliztion Board, but the city is waiting for the approval of a grant of $400,000 from the Economic Development Administration before beginning the project.

Bayliner plans to centralize administrative, marketing and research and development functions in Arlington. The company has 25 plants across the nation. In addition, three new structures would be built for injection molding, mold production, and parts manufacturing.

Supercomputer Firm To Seattle

Tera Computer Company, a new firm which plans to design and build supercomputers, will move its headquarters from Washington, D.C. to Seattle on November 1. The firm will initially employ 15 to 18 workers, most of whom will be engineers and software designers. When the company begins to build its supercomputer in 1992 or 1993, it expects to employ 400 to 500 people.

Although Tera Computer Company is only a year old, its chairman and chief computer architect, Dr. Burton Smith, is well known in the computer design field. Proximity to the University of Washington was a major reason for locating in Seattle. The firm will work closely with the university's computer sciences programs in developing the supercomputer which is expected to be hundreds of times faster than most existing computers.

Tourist Business up 4.5 Percent

The Tourist Development Division of the Department of Trade and Economic Development reported that tourism in the first half of 1988 was up 4.5 percent from the comparable period in 1987. The increase was credited to low gasoline prices, a decline in the value of the dollar relative to foreign currencies, promotional efforts and warm, dry weather. A number of indicators are used to estimate tourism including head counts at more than 100 state attractions such as parks; automobile, train, bus and airline travel; and Canadian border crossings. The Tourism Development Division noted that traffic at Mount Rainier, which is probably the state's major tourist attraction, was up seven percent over the year.

NATIONAL ECONOMIC INDICATORS

Slower Growth Ahead

A number of economic indicators now point to a slower pace for the economy over the next several months, although few economists expect a recession in the near term. The Index of Leading Economic Indicators fell in September; retail sales declined in September for the second consecutive month; the factory operating rate was unchanged from August; consumer confidence dropped sharply in September, and a number of business groups were predicting slower growth for the remainder of the year if not 1989.

Leading Indicators Down Slightly

The Index of Leading Economic Indicators, the government's main gauge of future economic activity, slipped 0.1 percent in September following a 0.5 percent increase in August and a drop of 0.7 percent in July. The zigzag pattern of the index in recent months points to less vigorous growth in the economy, but few analysts see it as forecasting a recession. The minor drop in September, in fact, could be revised to a gain next month. Data on inventories and credit outstanding were not available for computing the preliminary September estimate of the index.

A decline in plant and equipment orders was the major reason the index fell in September. The drop was largely due to a decline in aircraft orders which will rebound in October because of the $10.5 billion order by Delta Air Lines for both McDonnell Douglas and Boeing jetliners. Other leading indicators falling in September were building permits, sensitive material prices and the money supply. Leading indicators advancing in September included the average workweek of manufacturing production workers, initial claims for unemployment compensation (declined), orders for consumer goods, the business delivery index, and the stock market prices.

Consumer Confidence Down Sharply

The index of consumer confidence declined from 119.7 in August to 109 in September (1985=100). The drop was the largest monthly decline since just after the stock market sell-off last year. The index is based on a 5,000 household survey conducted for the Conference Board, an industry-supported research group. Householders in the survey are questioned about their outlook on the economy and intentions of making major purchases.

A spokesman for the Conference Board was not certain what caused the sharp decline but suggested that it might be related to rising food prices because of the drought and slow growth in personal income. He noted, however, that the index remained well above 80, the level which historically signals a recession.

Purchasing Agents See Growth Slowing

The purchasing agents index of economic activity dropped 1.4 percentage points from August to 54.8 percent in September and its lowest level in six months. A reading of over 50 percent, however, generally indicates that the economy is still expanding. The index is based on a survey of 250 purchasing managers.

The latest survey found that growth in production, employment, and new orders was continuing but at a slower pace than in recent months. Export orders moved up from August and price increases slowed. For purchasing agents whose firms export, 27 percent reported higher orders from abroad in September compared with 20 percent in August. The average percentage reporting higher export orders for the first seven months of 1988, however, was 37.8.

CONSUMER PRICE INDEX
(All Items, Urban Consumers, 1982-1984=100)**

	INDEXES			PERCENT CHANGE Year Ending	
	Sept. 1988	Aug. 1988	Sept. 1987	Sept. 1988	Aug. 1988
U.S. City Average	119.8	119.0	115.0	4.2	4.0
	Jan.-June 1988	Jan.-June 1987		Jan.-June '87 to Jan.-June '88	
Seattle*	111.9	108.2		3.4	

* The index for Seattle reflects prices in King, Pierce and Snohomish counties.

** The base period for the index has been changed from 1967=100 to 1982-1984=100. The conversion factors for the All Items, Urban Consumers Indexes on the 1967=100 base are U.S=0.3338279, Seattle=0.3280421.

Source: U.S. Department of Labor, Bureau of Labor Statistics

LABOR SURPLUS AREAS

The U.S. Department of Labor has designated "Labor Surplus Areas" for the Federal Fiscal Year beginning October 1, 1988 and ending September 30, 1989. Employers are eligible for preference in federal contract bids if they agree to perform over 50 percent of the contract work within labor surplus areas. The purpose of identifying labor surplus areas is to channel federal government procurement dollars into communities with high unemployment. All counties, and cities with populations of at least 25,000, are eligible for the classification provided their average unemployment rate has been above a certain level in the last two complete calendar years.

To be classified as a labor surplus area for the October 1, 1988 to September 30, 1989 period, an area needed an average unemployment rate of at least 8.0 percent for the 24-month period of January 1986 through December 1987. An exceptional circumstances provision, however, allows the U.S. Department of Labor to classify other areas as labor surplus areas if unemployment rises substantially because of recent developments such as plant closures, contract cancellations, natural disasters, and other unforeseen circumstances.

The following table identifies current labor surplus areas in Washington State.

LABOR SURPLUS AREAS
ELIGIBLE FOR FEDERAL PROCUREMENT PREFERENCE
FROM OCTOBER 1, 1988 THROUGH SEPTEMBER 30, 1989

ELIGIBLE LABOR SURPLUS AREAS IN WASHINGTON STATE	CIVIL JURISDICTIONS INCLUDED
ADAMS COUNTY	ADAMS COUNTY
ASOTIN COUNTY	ASOTIN COUNTY
BELLINGHAM CITY	BELLINGHAM CITY IN WHATCOM COUNTY
BALANCE OF BENTON COUNTY	BENTON COUNTY LESS KENNEWICK CITY AND RICHLAND CITY
CHELAN COUNTY	CHELAN COUNTY
CLALLAM COUNTY	CLALLAM COUNTY
COLUMBIA COUNTY	COLUMBIA COUNTY
BALANCE OF COWLITZ COUNTY	COWLITZ COUNTY LESS LONGVIEW CITY
DOUGLAS COUNTY	DOUGLAS COUNTY
EVERETT CITY	EVERETT CITY IN SNOHOMISH COUNTY
FERRY COUNTY	FERRY COUNTY
FRANKLIN COUNTY	FRANKLIN COUNTY
GARFIELD COUNTY	GARFIELD COUNTY
GRANT COUNTY	GRANT COUNTY
GRAYS HARBOR COUNTY	GRAYS HARBOR COUNTY
JEFFERSON COUNTY	JEFFERSON COUNTY
KENNEWICK CITY	KENNEWICK CITY IN BENTON COUNTY
KITTITAS COUNTY	KITTITAS COUNTY
KLICKITAT COUNTY	KLICKITAT COUNTY
LEWIS COUNTY	LEWIS COUNTY
LONGVIEW CITY	LONGVIEW CITY IN COWLITZ COUNTY
MASON COUNTY	MASON COUNTY
OKANOGAN COUNTY	OKANOGAN COUNTY
PACIFIC COUNTY	PACIFIC COUNTY
PEND OREILLE COUNTY	PEND OREILLE COUNTY
SKAGIT COUNTY	SKAGIT COUNTY
SKAMANIA COUNTY	SKAMANIA COUNTY
SPOKANE CITY	SPOKANE CITY IN SPOKANE COUNTY
STEVENS COUNTY	STEVENS COUNTY
TACOMA CITY	TACOMA CITY IN PIERCE COUNTY
VANCOUVER CITY	VANCOUVER CITY IN CLARK COUNTY
WAHKIAKUM COUNTY	WAHKIAKUM COUNTY
WALLA WALLA CITY	WALLA WALLA CITY IN WALLA WALLA COUNTY
BALANCE OF WALLA WALLA COUNTY	WALLA WALLA COUNTY LESS WALLA WALLA CITY
BALANCE OF WHATCOM COUNTY	WHATCOM COUNTY LESS BELLINGHAM CITY
YAKIMA CITY	YAKIMA CITY IN YAKIMA COUNTY
BALANCE OF YAKIMA COUNTY	YAKIMA COUNTY LESS YAKIMA CITY

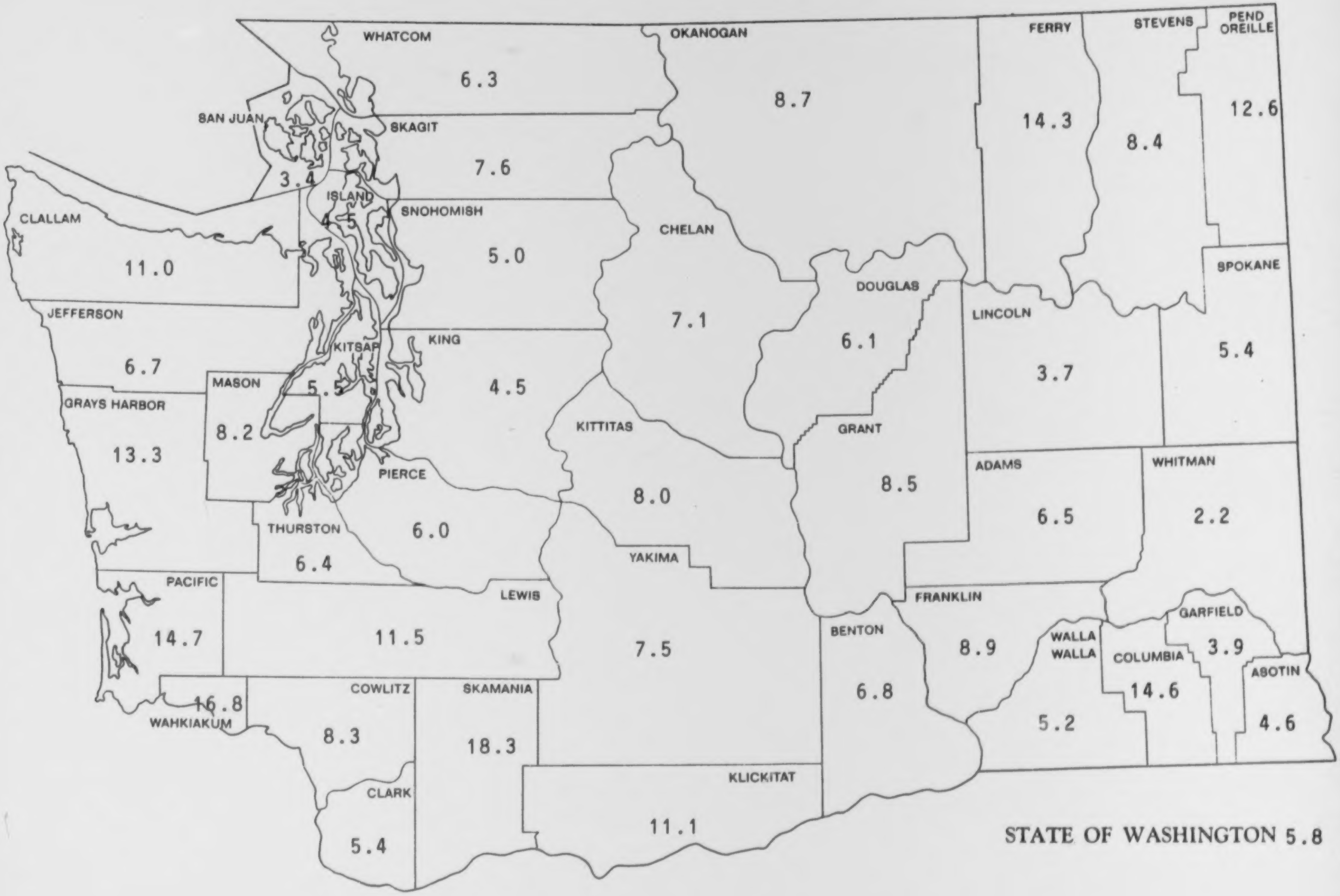
NONAGRICULTURAL WAGE & SALARY WORKERS IN WASHINGTON STATE, PLACE OF WORK 1/
(In Thousands)

NOT SEASONALLY ADJUSTED Industry	September 1988 (PREL.)	August 1988 (REV.)	September 1987 (REV.)	August 1987 (REV.)	Numerical Change Aug. 1988 to Sept. 1988	Numerical Change Sept. 1987 to Sept. 1988
TOTAL NONAG. WAGE AND SALARY	1,959.8	1,938.0	1,878.0	1,854.0	21.8	81.8
MANUFACTURING	340.7	336.3	327.8	324.4	4.4	12.9
Durable Goods	240.6	237.3	228.5	226.2	3.3	12.1
Lumber and Wood Products	41.4 3/	39.5 3/	41.7	41.4	1.9	-0.3
Furniture and Fixtures	3.8	3.7	3.8	3.8	0.1	0.0
Stone, Clay and Glass	7.0	6.9	6.9	6.9	0.1	0.1
Primary Metals	12.7 3/	12.6 3/	11.6	11.2	0.1	1.1
Aluminum	8.9	8.8	7.8	7.4	0.1	1.1
Fabricated Metals	11.5	11.3	11.1	10.9	0.2	0.4
Machinery	31.7	31.4	29.9	29.8	0.3	1.8
Machinery (Except Electrical)	17.8	17.6	16.6	16.6	0.2	1.2
Electrical Equipment	13.9	13.6	13.3	13.2	0.1	0.6
Transportation Equipment	116.3	115.7	108.2	106.6	0.6	8.1
Aerospace	101.8	101.2	94.9	93.8	0.6	6.9
Other Transp. Equipment	14.5	14.5	13.3	12.8 3/	0.0	1.2
Instruments and Related	11.0	11.1	10.6	10.9	-0.1	0.4
Misc. Manufacturing	5.2	5.1	4.7	4.7	0.1	0.5
Nondurable Goods	100.1	99.0	99.3	98.2	1.1	0.8
Food and Kindred Products	36.7	35.4	36.2	35.0	1.3	0.5
Canned and Preserved Foods.	15.0	13.8	15.0	13.6	1.2	0.0
Apparel and Allied Products	6.0	6.1	6.1	6.0	-0.1	-0.1
Paper and Allied Products	17.0	17.1	16.6	16.7	-0.1	0.4
Printing and Publishing	21.4	21.3	20.3	20.2	0.1	1.1
Chemicals and Allied Products	10.0	10.2	11.4	11.6	-0.2	-1.4
Other Nondurable Goods 2/	9.0	8.9	8.7	8.7	0.1	0.3
MINING and QUARRYING	3.5	3.4	3.1	3.0	0.1	0.4
CONSTRUCTION	108.8	108.6	95.1	94.9	0.2	13.7
TRANSP.,COMM. and UTIL	106.8	106.1	101.3	101.1	0.7	5.5
WHOLESALE and RETAIL TRADE	485.6 3/	484.0 3/	465.2	462.8	1.6	20.4
Wholesale Trade	119.7	117.0	114.9	113.4	2.7	4.8
Retail Trade	365.9 3/	367.0 3/	350.3	349.4	-1.1	15.6
FIN. INS. and REAL ESTATE	109.5	110.1	107.8	108.4	-0.6	1.7
SERVICES	454.1	449.3	429.0	423.9	4.8	25.1
Health Services	136.6	136.2	131.3	130.8	0.4	5.3
GOVERNMENT	350.8	340.2	348.7	335.5	10.6	2.1
Federal	69.9	70.4	71.8	72.1	-0.5	-1.9
State and Local	280.9	269.8	276.9 3/	263.4	11.1	4.0
Education	137.3	120.2	136.7 3/	118.3	17.1	0.6
WORKERS IN LABOR-MANAGEMENT DISPUTES	0.5	2.5	1.3	0.1	-2.0	-0.8

1/ Excludes proprietors, self-employed, members of armed forces, and private household. employees. Includes all full- and part-time wage and salary workers receiving pay during the pay period including the 12th of the month.

2/ Includes textile mill products, rubber and miscellaneous plastic products, petroleum. refining and related products, and leather products.

3/ Workers excluded because of involvement in labor-management disputes.


WHATCOM 6.3
OKANOGAN 8.7
FERRY 14.3
STEVENS 8.4
PEND OREILLE 12.6
SAN JUAN 3.4
SKAGIT 7.6
ISLAND 4.5
CLALLAM 11.0
SNOHOMISH 5.0
CHELAN 7.1
DOUGLAS 6.1
SPOKANE 5.4
LINCOLN 3.7
JEFFERSON 6.7
KITSAP 5.5
KING 4.5
MASON 8.2
GRAYS HARBOR 13.3
KITTITAS 8.0
GRANT 8.5
ADAMS 6.5
WHITMAN 2.2
PIERCE 6.0
THURSTON 6.4
YAKIMA 7.5
PACIFIC 14.7
LEWIS 11.5
FRANKLIN 8.9
BENTON 6.8
GARFIELD 3.9
WALLA WALLA 5.2
COLUMBIA 14.6
ASOTIN 4.6
WAHKIAKUM 16.8
COWLITZ 8.3
SKAMANIA 18.3
KLICKITAT 11.1
CLARK 5.4
STATE OF WASHINGTON 5.8

Washington State
Employment Security Department
Labor Market and Economic Analysis Branch

RESIDENT LABOR FORCE AND EMPLOYMENT IN WASHINGTON STATE AND LABOR MARKET AREAS

(Not Seasonally Adjusted)

DATE 11/1/88
Benchmark: 1987

	SEPTEMBER 1988 PRELIMINARY 1/				AUGUST 1988 REVISED 1/				SEPTEMBER 1987 REVISED			
	Labor Force	Employment	Unemployment	Unemp. Rate	Labor Force	Employment	Unemployment	Unemp. Rate	Labor Force	Employment	Unemployment	Unemp. Rate
Washington State total	2,345,100	2,210,000	135,100	5.8	2,341,700	2,198,100	143,600	6.1	2,285,500	2,132,200	153,300	6.7
Bellingham MSA	60,300	56,500	3,800	6.3	61,900	57,800	4,100	6.6	58,500	54,200	4,300	7.4
Bremerton MSA	73,200	69,200	4,000	5.5	73,600	69,400	4,200	5.7	73,200	69,400	3,800	5.2
Olympia MSA	74,600	69,800	4,800	6.4	75,500	70,800	4,700	6.2	73,100	68,100	5,000	6.8
Seattle PMSA	1,046,000	998,200	47,800	4.6	1,051,200	1,000,600	50,600	4.8	1,004,700	946,400	58,300	5.8
King County 2/	830,500	793,400	37,100	4.5	835,300	795,300	40,000	4.8	796,400	752,200	44,200	5.5
Snohomish County 2/	215,500	204,800	10,700	5.0	216,000	205,300	10,700	5.0	208,200	194,200	14,000	6.7
Spokane MSA	170,000	160,800	9,200	5.4	166,900	157,000	9,900	5.9	165,700	155,100	10,600	6.4
Tacoma PMSA	248,000	233,200	14,800	6.0	247,900	232,500	15,400	6.2	242,400	224,500	17,900	7.4
Tri-Cities MSA	66,700	61,800	4,900	7.3	66,500	60,600	5,900	8.9	69,500	64,200	5,300	7.6
Benton County 2/	51,100	47,600	3,500	6.8	50,900	46,700	4,200	8.3	53,300	49,400	3,900	7.3
Franklin County 2/	15,700	14,300	1,400	8.9	15,700	14,000	1,700	10.8	16,200	14,800	1,400	8.6
Vancouver PMSA	114,600	108,400	6,200	5.4	115,100	108,600	6,500	5.6	112,600	104,700	7,900	7.0
Yakima MSA	98,700	91,300	7,400	7.5	95,100	84,400	10,700	11.3	95,800	88,800	7,000	7.3
Adams	7,400	6,920	480	6.5	7,110	6,490	620	8.7	7,030	6,570	460	6.5
Asotin	9,440	9,010	430	4.6	9,590	9,100	490	5.1	8,300	7,710	590	7.1
Clallam	23,420	20,840	2,580	11.0	23,250	21,620	1,630	7.0	23,920	21,720	2,200	9.2
Columbia	1,510	1,290	220	14.6	1,560	1,350	210	13.5	1,620	1,350	270	16.7
Cowlitz	36,580	33,560	3,020	8.3	36,420	33,860	2,560	7.0	36,220	32,450	3,770	10.4
Ferry	2,790	2,390	400	14.3	2,790	2,470	320	11.5	2,660	2,450	210	7.9
Garfield	1,020	980	40	3.9	1,050	1,020	30	2.9	1,010	960	50	5.0
Grant	25,640	23,450	2,190	8.5	25,750	22,950	2,800	10.9	25,290	23,120	2,170	8.6
Grays Harbor	25,310	21,950	3,360	13.3	24,400	22,130	2,270	9.3	26,330	23,330	3,000	11.4
Island	18,680	17,840	840	4.5	19,000	18,100	900	4.7	18,650	17,580	1,070	5.7
Jefferson	8,240	7,690	550	6.7	8,430	7,950	480	5.7	8,260	7,710	550	6.7
Kittitas	11,630	10,700	930	8.0	11,510	10,600	910	7.9	11,400	10,480	920	8.1
Klickitat	7,730	6,870	860	11.1	8,070	7,130	940	11.6	7,650	6,730	920	12.0
Lewis	26,450	23,400	3,050	11.5	25,100	23,080	2,020	8.0	24,810	21,770	3,040	12.3
Lincoln	4,080	3,930	150	3.7	4,340	4,170	170	3.9	4,150	3,920	230	5.5
Mason	12,710	11,670	1,040	8.2	11,560	10,670	890	7.7	12,950	12,010	940	7.3
Okanogan	17,740	16,190	1,550	8.7	16,040	13,800	2,240	14.0	17,230	15,840	1,390	8.1
Pacific	6,310	5,380	930	14.7	6,250	5,670	580	9.3	6,510	5,780	730	11.2
Pend Oreille	3,420	2,990	430	12.6	3,360	2,980	380	11.3	3,060	2,620	440	14.4
San Juan	5,540	5,350	190	3.4	6,340	6,160	180	2.8	6,080	5,840	240	3.9
Skagit	34,040	31,440	2,600	7.6	35,770	33,180	2,590	7.2	34,350	31,030	3,320	9.7
Skamania	2,510	2,050	460	18.3	2,360	2,030	330	14.0	2,350	1,880	470	20.0
Stevens	11,380	10,420	960	8.4	11,400	10,550	850	7.5	11,470	10,510	960	8.4
Wahkiakum	1,250	1,040	210	16.8	1,170	1,070	100	8.5	1,270	1,070	200	15.7
Walla Walla	23,420	22,210	1,210	5.2	22,950	21,560	1,390	6.1	23,910	22,440	1,470	6.1
Wenatchee Labor Area	45,790	42,690	3,100	6.8	44,250	39,240	5,010	11.3	44,660	41,750	2,910	6.5
Chelan County 2/	31,090	28,890	2,200	7.1	30,090	26,550	3,540	11.8	30,310	28,250	2,060	6.8
Douglas County 2/	14,700	13,800	900	6.1	14,160	12,690	1,470	10.4	14,350	13,500	860	6.0
Whitman	19,050	18,630	420	2.2	17,870	17,330	540	3.0	18,870	18,290	580	3.1

1/ Estimates provided here are for use as an economic time-series. Official Bureau of Labor Statistics estimates, which must be used for Federal program purposes, are available upon request.

2/ Estimates are determined by using the Population/Claims Share disaggregation methodology.

Note: Detail may not add due to rounding.

Washington State
Employment Security Department
Labor Market and Economic Analysis Branch

WASHINGTON STATE LABOR FORCE AND EMPLOYMENT ESTIMATES FOR FEDERAL PROGRAM PURPOSES

November 1, 1988
Benchmark: 1987

(Not Seasonally Adjusted)

	SEPTEMBER 1988 PRELIMINARY 1/				AUGUST 1988 REVISED 1/			
	Labor Force	Employment	Unemployment	Unemp. Rate	Labor Force	Employment	Unemployment	Unemp. Rate
Washington State total	2,289,900	2,164,500	125,400	5.5	2,297,300	2,162,200	135,100	5.9
Bellingham MSA	58,800	55,300	3,500	6.0	60,700	56,900	3,800	6.3
Bremerton MSA	71,400	67,700	3,700	5.2	72,200	68,300	3,900	5.4
Olympia MSA	72,800	68,300	4,500	6.2	74,200	69,700	4,500	6.1
Seattle PMSA	1,022,000	977,600	44,400	4.3	1,031,900	984,300	47,600	4.6
King County 2/	811,500	777,100	34,400	4.2	819,900	782,300	37,600	4.6
Snohomish County 2/	210,500	200,600	9,900	4.7	211,900	201,900	10,000	4.7
Spokane MSA	166,100	157,500	8,600	5.2	163,700	154,400	9,300	5.7
Tacoma PMSA	242,100	228,400	13,700	5.7	243,200	228,700	14,500	6.0
Tri-Cities MSA	65,100	60,600	4,500	6.9	65,200	59,600	5,600	8.6
Benton County 2/	49,900	46,600	3,300	6.6	49,900	45,900	4,000	8.0
Franklin County 2/	15,300	14,000	1,300	8.5	15,400	13,800	1,600	10.4
Vancouver PMSA	112,000	106,200	5,800	5.2	112,900	106,800	6,100	5.4
Yakima MSA	96,300	89,400	6,900	7.2	93,200	83,100	10,100	10.8
Adams	7,220	6,780	440	6.1	6,980	6,390	590	8.5
Asotin	9,220	8,820	400	4.3	9,410	8,950	460	4.9
Clallam	22,800	20,410	2,390	10.5	22,810	21,270	1,540	6.8
Columbia	1,470	1,260	210	14.3	1,530	1,330	200	13.1
Cowlitz	35,680	32,870	2,810	7.9	35,720	33,310	2,410	6.7
Ferry	2,710	2,340	370	13.7	2,730	2,430	300	11.0
Garfield	1,000	960	40	4.0	1,030	1,000	30	2.9
Grant	25,010	22,970	2,040	8.2	25,200	22,570	2,630	10.4
Grays Harbor	24,610	21,490	3,120	12.7	23,910	21,770	2,140	9.0
Island	18,250	17,470	780	4.3	18,660	17,810	850	4.6
Jefferson	8,040	7,530	510	6.3	8,270	7,820	450	5.4
Kittitas	11,340	10,480	860	7.6	11,270	10,420	850	7.5
Klickitat	7,520	6,720	800	10.6	7,900	7,020	880	11.1
Lewis	25,740	22,910	2,830	11.0	24,610	22,710	1,900	7.7
Lincoln	3,990	3,850	140	3.5	4,260	4,100	160	3.8
Mason	12,390	11,430	960	7.7	11,340	10,500	840	7.4
Okanogan	17,290	15,850	1,440	8.3	15,690	13,580	2,110	13.4
Pacific	6,130	5,260	870	14.2	6,130	5,580	550	9.0
Pend Oreille	3,330	2,930	400	12.0	3,280	2,930	350	10.7
San Juan	5,410	5,240	170	3.1	6,230	6,060	170	2.7
Skagit	33,210	30,800	2,410	7.3	35,080	32,640	2,440	7.0
Skamania	2,440	2,010	430	17.6	2,320	2,000	320	13.8
Stevens	11,090	10,200	890	8.0	11,180	10,380	800	7.2
Wahkiakum	1,220	1,020	200	16.4	1,150	1,050	100	8.7
Walla Walla	22,870	21,750	1,120	4.9	22,510	21,210	1,300	5.8
Wenatchee Labor Area	44,690	41,810	2,880	6.4	43,310	38,600	4,710	10.9
Chelan County 2/	30,330	28,290	2,040	6.7	29,450	26,120	3,330	11.3
Douglas County 2/	14,350	13,520	830	5.8	13,860	12,480	1,380	10.0
Whitman	18,640	18,250	390	2.1	17,560	17,050	510	2.9

1/ Official U.S. Department of Labor, Bureau of Labor Statistics data. Data are not comparable with estimates made in previous years.
2/ Estimates are determined by using the Population/Claims Share disaggregation methodology.
Note: Detail may not add due to rounding.

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Washington LABOR MARKET

JOB SERVICE

Washington State
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In cooperation with the
Employment and Training
Administration
U.S. Department of Labor

November 1988

Volume 12, Number 11

Highlights

Electronic Bulletin Board Service--Page 12

Economic Expansion Continues

October saw employment grow and unemployment decline in both Washington State and the nation, while industrial production and retail sales rose sharply. These developments, however, were not good news on Wall Street where the unexpected strength in the economy rekindled fears of inflation and higher interest rates. The Dow Jones Industrial Average fell about 100 points in November, and the fears of investors of the prospects of higher interest rates were realized in late November when major banks boosted their prime lending rates from 10.0 to 10.5 percent.

Unemployment Drops Again

Wall Street may not have been pleased, but workers weren't complaining. Nationally the unadjusted unemployment rate fell to 5.0 percent in October. In Washington State, which normally

	Oct. 1988* (Prel.)	Sept. 1988* (Rev.)	Oct. 1987
Civilian Labor Force	2,348,900	2,352,300	2,307,300
Total Employment	2,220,700	2,213,500	2,148,300
Total Unemployment	128,200	138,800	159,000
State Unemployment Rate	5.5	5.9	6.9
National Civilian Unemployment Rate	5.0	5.2	5.7

*These data represent alternative estimates of labor force conditions developed by the State Employment Security Department. They are more comparable with data released in previous years than are the official Bureau of Labor Statistics estimates developed for federal program purposes. (Data in this table are not seasonally adjusted.)

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has a higher rate because of a larger proportion of employment in seasonal industries, total unemployment fell from 5.9 to 5.5 percent between September and October.

Normally unemployment increases between September and October in Washington State because of the end of the summer tourist season and curtailments in outdoor work. This year unemployment fell because of the state's vigorous economy, mild weather in October and the resumption of logging following fire hazard closures in September. Seasonally adjusted, the state's jobless rate plunged from 6.7 to 6.0 percent over the month. From April through September the adjusted rate moved in a narrow range between 6.4 and 6.7 percent.

State Job Growth Outpaces Nation

Total employment rose 7,200 in October and was up 72,400, or 3.4 percent, over the year. Nationally employment advanced 2.1 percent year to year, below the gain in Washington State but still substantial. A seasonal increase in education accounted for most of the new jobs in the state in October. Aerospace employment continued to expand and the lumber industry posted a small counterseasonal increase. The largest year-to-year gains occurred in aerospace, construction, retail trade and services.

INDUSTRY DEVELOPMENTS

Colleges Begin New Year

Nonagricultural wage and salary employment rose 11,200 in October with a seasonal expansion in education more than offsetting fall cutbacks in other industries. Public education alone added 18,300 employees as many colleges and universities began their regular academic year. Secondary schools also continued hiring to round out their staffing for the new school year. Seasonal cutbacks at parks, forests, and in road maintenance, and other outdoor work partially offset the gains at public schools, but public payrolls were still up a substantial 13,600 for the month. Over the year, however, government employment was up a modest 1.5 percent.

Summer Activities Wind Down

Employment in the services industries (down 100) was little changed between September and October, but there were substantial changes within the industry. Private education rose 1,900 in October, largely because of the beginning of the fall term at private colleges, but the gain was offset by declines in a number of seasonal activities. The end of the summer tourist season resulted in cutbacks at hotels, motels, and resorts. Amusement employment was also sharply lower with the end of the 1988 edition of the Western Washington Fair and seasonal closures or reductions at amusement parks, golf courses, race tracks, etc.

Health Care Payrolls Dip

More significant than those seasonal changes, however, was the decline in health services (down 200). While employment fell only slightly, it was the third monthly drop in the group this year which suggests the long-term growth trend in health care is moderating. Advertising by health care establishments, almost unheard of in past years, has increased noticeably in recent months.

Less Business For Restaurants And Gasoline Stations

Employment at general merchandise stores moved up modestly in October with Holloween items featured and some early preparation for holiday sales, but these gains were more than offset by cutbacks at restaurants and gasoline service stations because of the end of the summer tourist season. As a result, retail trade payrolls fell 600 in October. Hiring for holiday sales, however, will boost employment sharply in November and December. Wholesale trade employment fell 700 in October but nearly all of the drop resulted from seasonal reductions by fruit and vegetable dealers.

Construction Past Seasonal Peak

Contractors schedule many outdoor projects for completion before the onset of winter. As a result, construction employment normally begins to decline in October. Nonetheless, moderate weather in October permitted employment in the building trades to remain at a high level, slipping only 400 from September.

In other nonmanufacturing industries, employment in transportation-communications-utilities fell 1,100. The largest drop was in longshoring which fell from an unusually high level in September to a normal October level. Trucking employment fell with less farm-to-market hauling while seasonal outdoor work was reduced by utility and communication firms. Finance, insurance and real estate payrolls dipped 500 in October with real estate offices cutting back seasonally and commercial banks continuing to trim staffing.

Manufacturing Adds 900 Jobs

Manufacturing employment rose 900 in October largely because of a gain of 1,200 in aerospace and a counter seasonal increase of 200 in lumber industry. Lumber and wood products employment normally declines 800 to 900 in October because of falling demand for building material. This year, however, most logging activity was shut down in September because of fire hazard conditions in the state's forests. Rain in October allowed logging to resume, but employment at mills declined as usual in October.

Aerospace Growth Accelerates

The aerospace industry added 1,200 workers in October which was well above its average monthly gain of 500 in the first three quarters of this year. Employment in the industry at 103,000 is approaching its 1968 peak of 106,300. The reason for the expansion, of course, is Boeing's growing backlog of orders for jetliners. The backlog currently totals over 1,000 aircraft with options for an additional 250 jets. Delivery dates are now being set for as late as 1995.

In late November, Boeing's jetliner sales in 1988 totaled 595 worth $28 billion. Sales this year will eclipse the company's previous record of 366 planes worth $19.9 billion set in 1987.

Small employment increases were recorded in nonelectrical machinery, shipbuilding and a few other industries, but declines also occurred. Food products payrolls were down 400, but a seasonal decline of 1,100 is typical for the industry in October. Credit for the limited decline goes to good crops and additional cold storage capacity. Electrical machinery employment fell 400 in October with the loss entirely due to a labor dispute. The job total in paper and allied products also dropped 400, but the loss followed past seasonal trends.

Growth Continues

Nonfarm employment continues to maintain a substantial gain from comparable months in 1987. The year-to-year increase has shown no sign of declining. In January the nonfarm total was up 82,100 over the year. By October, the gain was up to 88,400. The trade and service industries continue to account for over half of the new jobs. Basically the rapid growth in these industries reflects substantial employment and population growth, especially in the Puget Sound area.

Business Services Booming

Employment in the services group rose 24,200 alone over the year. One-third of the new jobs was in business services with temporary help agencies and data processing services leading the expansion. Large employment gains were also noted at firms providing janitorial and other services to buildings because of the completion of new office buildings. Other services industries showing substantial year-to-year job gains included hotels-motels, personal services (laundries, barber-beauty shops, health spas, etc.), amusement establishments (golf, bowling, recreation clubs, etc.), and social services (day care, employment training, etc.).

Health services employment rose nearly 4,200 over the year, but growth in the industry is slowing. Between 1986 and 1987, employment in health services increased 7,500.

New Stores Everywhere

The opening of new shopping malls and food stores boosted retail trade (up 18,000) employment substantially over the year. Eating and drinking places (mainly restaurants), however, accounted for nearly half of the new retail jobs. Sizable job growth was also credited to building material outlets and automobile dealers.

Wholesale trade payrolls rose 3,900 year to year, mainly to serve the growing retail sector. A substantial portion of the increase, however, occurred at firms handling machinery and industrial supplies.

Homebuilding Strong

In other nonmanufacturing industries, construction employment was up 14,200, or 15 percent, over the year with strength in both the commercial and residential sectors. Despite weakness in residential building nationally because of higher interest rates, homebuilding remains exceptionally strong in this state because of vigorous employment growth and a growing population, mainly in the Puget Sound area.

Transportation-communications-utilities payrolls rose 5,300 year to year with nearly all of the increase in transportation. Trucking firms led the expansion, another indication of the state's growing industrial sector. Finance-insurance-real estate added 1,800 jobs year to year, but losses were noted in commercial banking and at stock and commodity brokerages.

Not All Boeing

Manufacturing employment was up 15,100 over the year in October. The relative gain was nearly as great as in the nonmanufacturing industries, 4.6 versus 4.7 percent. Aerospace accounted for 7,400 of the new jobs but other industries added 7,700. Chemicals (down 1,300) was the only manufacturing industry with less employment than last year and all of the loss resulted from cutbacks at Hanford. Manufacturing industries credited with the largest gains over the year, other than aerospace, included machinery (up 1,500), food products (up 1,400); lumber, aluminum, and printing-publishing--all up 1,000.

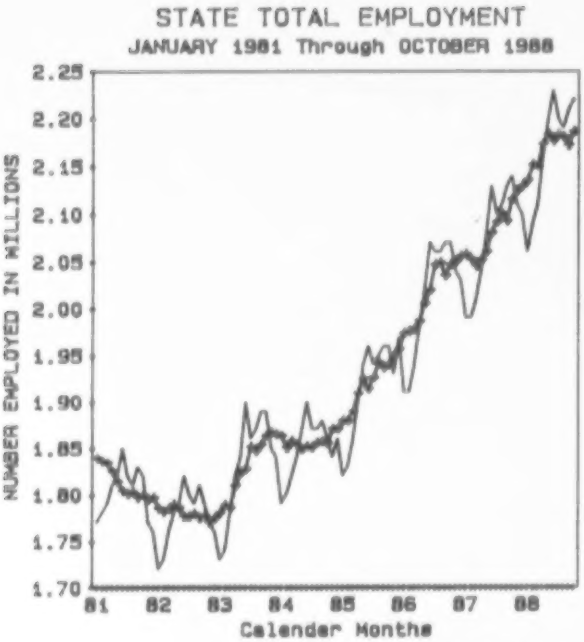
AREA TRENDS

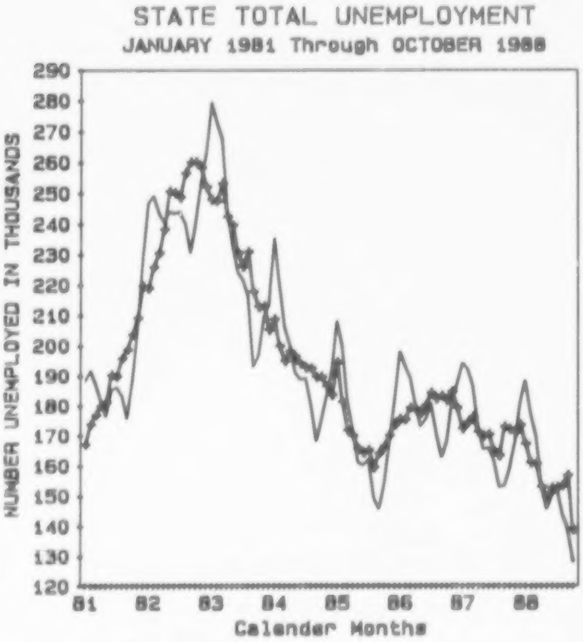
Loggers Back on the Job

Unemployment declined in most areas of the state between September and October, but the largest reductions were in counties where the lumber industry is the main source of manufacturing jobs. Between August and September the jobless rate in these counties jumped from 8.4 to 10.4 percent when logging was shutdown because of fire hazard conditions in the state's forests. Light rain in October allowed logging to resume, and the unemployment rate in those counties fell to 7.6 percent. Typical of these areas was Lewis County where the jobless rate jumped from 8.0 to 12.1 percent between August and September and fell to 7.4 percent in October.

In Eastern Washington the overall unemployment rate fell from 6.8 to 6.5 percent over the month, but changes in individual counties varied because of differences in crop activities. In Yakima County where the apple harvest was winding down and food processing past its peak, the rate rose from 7.7 to 8.0 percent. Further north, however, the apple harvest was still going strong, and the unemployment rate in Okanogan County fell from 9.0 to 7.9 percent. The Wenatchee area saw its rate dip from 7.0 to 6.3 percent over the month.

In the state's major metropolitan areas, jobless rates edged lower because of the reopening of colleges and the withdrawal of many youth from the job market. The unemployment rate in the Seattle Metropolitan Area dipped from 4.7 to 4.5 percent between September and October. Tacoma's rate fell from 6.1 to 5.8 percent, while Spokane saw its unemployment rate slip from 5.6 to 5.5 percent.





INDUSTRY NOTES

Forecasters See Drop In Jetliner Deliveries

A recent survey of aerospace industry forecasters predicts that jetliner deliveries will peak at 120,000 aircraft seats in 1990 and then decline to about 80,000 in 1992 before recovering to around 100,000 in the mid-1990s. (The forecast used seats delivered because different aircraft vary considerably in size and seating capacity.)

Even at the 1992 low point, however, deliveries would be healthy by historic standards. Boeing's personnel director said that the company's employment would drop if jetliner deliveries fall, but he noted that Boeing's Puget Sound workforce can be reduced about 5,500 annually from attrition alone. In addition, Boeing is limiting its employment growth by substantial overtime work which could be quickly eliminated and reduce the need for layoffs.

A number of aerospace analysts suggest current business is borrowing from the future. Because of full production schedules, many airlines have ordered planes in order to secure production slots for the future. And many leasing companies have ordered jets they have not leased to airlines yet. As a result, a downturn in air travel resulting from a recession could see many orders cancelled.

Jetliner Sales Continue to Grow

Boeing logged another billion-dollar order in November. Ansett Worldwide Aviation Services ordered 22 aircraft worth $1.1 billion and took options for seven additional planes. The firm order included six 767-300s and 16 Boeing 757s. Deliveries will run from October 1990 through 1993 for the 767s and from October 1990 into 1995 for the 757s.

Boeing also closed its first sale of modern widebody jetliners to a Soviet-aligned Eastern European nation in November with the sale of one 767-300 and two 767-200 jets to the Polish airline LOT for $220 million. Certain parts of the aircraft by agreement must remain sealed to prevent the transfer of sensitive technology, and only specific Western maintenance crews will be allowed to repair or service certain parts.

Housing Starts Up

Housing starts in the nation rose 7.5 percent from September to a seasonally adjusted annual rate of 1,554,000 units in October. The October rate, however, remained below the 1987 level of

1,634,000 units. Moreover, industry analysts doubt that the October rate can be sustained because interest rates are now moving up. The increase in starts was attributed to a decline in mortgage rates in September and October. At the end of October fixed-rate mortgage were available at rates as low as 9.75 percent. In early December, rates ranged from 10.25 to 10.75 percent.

Housing units authorized by building permits indicate housing starts in Washington State were above 1987 levels in the first three quarters of 1988 despite the downward trend nationally. Strong employment and population growth, of course, account for the strong housing industry in the state.

Lower Timber Demand Expected in 1989

The U.S. Forest Service has forecast that demand for U.S. timber products will decline in both domestic and export markets in 1989. A major factor in the forecast was the likely reduction in homebuilding because of rising mortgage rates. The forest service expects housing starts to fall three percent in 1989, following a 10.5 percent decline in 1988. Housing construction in the U.S. uses about one-third of the softwood lumber and plywood produced.

AT&T to Close Service Center

AT&T announced in November that they will close their consumer sales and service center in Tacoma in March "to streamline operations and adjust staffing to projected workloads." AT&T is also closing three other service centers in other states and two credit management centers. About 1,000 jobs are affected. The 125 workers affected in Tacoma will be offered jobs elsewhere with AT&T. Most of the jobs will be in other states, but the company will assist with moving expenses.

NATIONAL ECONOMIC INDICATORS

Up is Bad, Sometimes

Views on the economy shifted abruptly in November from the belief that the economy was slowing down to the renewed fear that the economy was expanding too rapidly. If growth accelerates, the Federal Reserve could be expected to tighten credit which would boost interest rates. While the desired effect would be to slow economic growth to prevent inflation from increasing, higher interest rates could also precipitate a recession. Stock and bond prices dropped sharply as might be expected.

October data on retail sales, industrial output and consumer confidence supported the belief that economic growth was still substantial. The Index of Leading Economic Indicators, however, suggested that economic growth was slowing.

Retail Sales and Industrial Output Post Gains

Retail sales rose 0.9 percent in October to post its largest gain since March when it jumped 1.6 percent. October marked a sharp turnaround from recent months. In September retail sales fell 0.3 percent after rising 0.3 percent in August. Industrial production increased for the eighth consecutive month with the October increase the largest in three months. The output of the nation's mines, utilities, and factories rose 0.4 percent in October compared with gains of 0.2 percent in September and 0.3 percent in August.

Consumers More Optimistic

The Conference Board's consumer confidence index rose from 110.7 in September to 117.4 in October to nearly offset a sharp decline in the previous month of nine percentage points. Analysts were uncertain what caused the decline in September but noted that other economic time series for the month also suggested the economy was losing steam at that time.

The index is based on a monthly survey of 5,000 households conducted for the Conference Board. The October survey found that 20.6 percent of the respondents expected business conditions to improve in the next six months, up from 18.3 percent in September. Approximately 6.9 percent believed business conditions would deteriorate, down from 9.8 percent in September.

Purchasing Agents Report Strong Employment Gains

The November survey of 250 purchasing managers by the National Association of Purchasing Management indicated the economy was still moving ahead at a healthly pace, although slipping slightly from October. The monthly survey includes questions on new orders, prices, vendor deliveries, employment and other economic items and asks whether each strengthened or declined from the previous month.

The overall purchasing managers index inched down from 56.8 percent in October to 56.6 percent in November. When the index is over 50 it generally means the economy is expanding, while it suggests the economy is declining when it is below 50.

In November new orders declined but were still at a high level. Employment, however, jumped sharply, and some purchasers reported their firms were having problems hiring new employees.

Leading Indicators Up Slightly

The Index of Leading Economic Indicators, the government's main barometer of future economic conditions, rose a slight 0.1 percent in the preliminary October estimate after falling 0.3 percent in September. Over the past 12 months the index has advanced only 0.5 percent, often rising and falling in successive months. Many analysts believe this suggests the economy is slowing down.

Contributing to the increase in the index in October were a slight decrease in initial claims for unemployment insurance, an increase in orders for consumer goods, higher stock prices, and an increase in building permits. Leading economic indicators declining in October included the average workweek for manufacturing production workers, the business delivery index, orders for plant and equipment, sensitive material prices, and the money supply. Data on inventories and credit outstanding were not available for the preliminary October estimate.

CONSUMER PRICE INDEX
(All Items, Urban Consumers, 1982-1984=100)**

	INDEXES			PERCENT CHANGE Year Ending	
	Oct. 1988	Sept. 1988	Oct. 1987	Oct. 1988	Sept. 1988
U.S. City Average	120.2	119.8	115.3	4.2	4.2
	Jan.-June 1988	Jan.-June 1987		Jan.-June '87 to Jan.-June '88	
Seattle*	111.9	108.2		3.4	

* The index for Seattle reflects prices in King, Pierce and Snohomish counties.

** The base period for the index has been changed from 1967=100 to 1982-1984=100. The conversion factors for the All Items, Urban Consumers Indexes on the 1967=100 base are U.S=0.3338279, Seattle=0.3280421.

Electronic Bulletin Board Service Available

The Labor Market and Economic Analysis (LMEA) Branch has established an electronic bulletin board system (BBS) for accessing data and analysis published by LMEA. Employers, state and federal agencies, employee organizations, economic development councils, and other users of labor market information can gain entrance to the BBS using a personal computer, modem, and communications software.

Several LMEA publications, including the Washington Labor Market, Quarterly LMI Review, and the User's Guide to LMI are available using this service. In addition, the LMEA BBS allows you to send mail to other BBS users, download data files, place yourself on publication mailing lists, or answer surveys on BBS usage.

The LMEA BBS is available 24 hours a day. Callers should set the following communication parameters:

Number: (206) 438-3177,
(800) 442-7075 - toll free in Washington
BAUD: 300, 1200
Stop Bits: 1
Data Bits: 8
Parity: None
Local Echo (Duplex): Off (Full)

For further information, please call LMEA at (206) 438-4800 or write to this address:

Labor Market and Economic Analysis
Branch
Employment Security Department
212 Maple Park, Mail Stop: KG-11
Olympia, Washington 98504-5311
Attention: LMEA BBS

NONAGRICULTURAL WAGE & SALARY WORKERS IN WASHINGTON STATE, PLACE OF WORK 1/

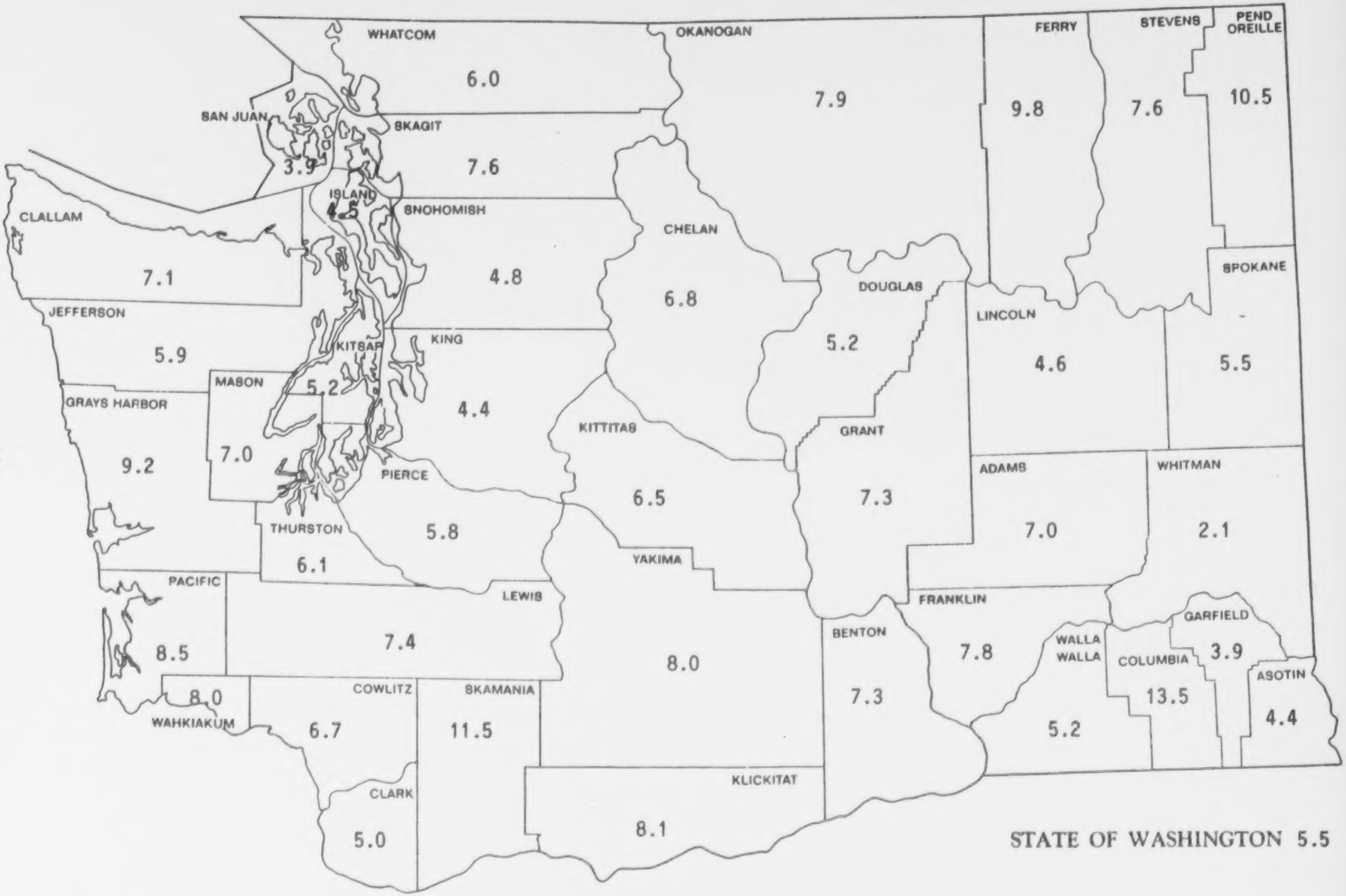
(In Thousands)

NOT SEASONALLY ADJUSTED Industry	October 1988 (PREL.)	September 1988 (REV.)	October 1987 (REV.)	September 1987 (REV.)	Numerical Change Sept. 1988 to Oct. 1988	Numerical Change Oct. 1987 to Oct. 1988
TOTAL NONAG. WAGE AND SALARY	1,974.0	1,962.8	1,885.6	1,878.0	11.2	88.4
MANUFACTURING	341.6	340.7	326.5	327.8	0.9	15.1
Durable Goods	242.1	240.6	228.4	228.5	1.5	13.7
Lumber and Wood Products	41.8	41.6 3/	40.8	41.7	0.2	1.0
Furniture and Fixtures	3.9	3.8	3.8	3.8	0.1	0.1
Stone, Clay and Glass	6.9	6.9	6.7	6.9	0.0	0.2
Primary Metals	12.7 3/	12.8 3/	11.6	11.6	-0.1	1.1
Aluminum	8.8	8.9	7.8	7.8	-0.1	1.0
Fabricated Metals	11.4	11.5	11.0	11.1	-0.1	0.4
Machinery	31.4	31.6	29.9	29.9	-0.2	1.5
Machinery (Except Electrical)	18.0	17.8	16.7	16.6	0.2	1.3
Electrical Equipment	13.4 3/	13.8	13.2	13.3	-0.4	0.2
Transportation Equipment	117.6	116.2	109.2	108.2	1.4	8.4
Aerospace	103.0	101.8	95.6	94.9	1.2	7.4
Other Transp. Equipment	14.6	14.4	13.6	13.3	0.2	1.0
Instruments and Related	11.1	11.0	10.6	10.6	0.1	0.5
Misc. Manufacturing	5.3	5.2	4.8	4.7	0.1	0.5
Nondurable Goods	99.5	100.1	98.1	99.3	-0.6	1.4
Food and Kindred Products	36.3	36.7	34.9	36.2	-0.4	1.4
Canned and Preserved Foods	15.0	15.0	14.0	15.0	0.0	1.0
Apparel and Allied Products	6.1	6.0	6.1	6.1	0.1	0.0
Paper and Allied Products	16.6	17.0	16.5	16.6	-0.4	0.1
Printing and Publishing	21.5	21.4	20.5	20.3	0.1	1.0
Chemicals and Allied Products	10.0	10.0	11.3	11.4	0.0	-1.3
Other Nondurable Goods 2/	9.0	9.0	8.8	8.7	0.0	0.2
MINING and QUARRYING	3.5	3.4	3.1	3.1	0.1	0.4
CONSTRUCTION	108.4	108.8	94.2	95.1	-0.4	14.2
TRANSP.,COMM. and UTIL.	105.7	106.8	100.4	101.3	-1.1	5.3
WHOLESALE and RETAIL TRADE	484.6	485.9 3/	462.7	465.2	-1.3	21.9
Wholesale Trade	118.7	119.4	114.8	114.9	-0.7	3.9
Retail Trade	365.9	366.5 3/	347.9	350.3	-0.6	18.0
FIN. INS. and REAL ESTATE	108.9	109.4	107.1	107.8	-0.5	1.8
SERVICES	454.6	454.7	430.4	429.0	-0.1	24.2
Health Services	136.3	136.5	132.2	131.3	-0.2	4.1
GOVERNMENT	366.7	353.1	361.2	348.7	13.6	5.5
Federal	68.9	69.3	70.5	71.8	-0.4	-1.6
State and Local	297.8	283.8	290.7	276.9 3/	14.0	7.1
Education	157.2	138.9	154.7	136.7 3/	18.3	2.5
WORKERS IN LABOR-MANAGEMENT DISPUTES	0.7	0.5	0.0	1.3	0.2	0.7

1/ Excludes proprietors, self-employed, members of armed forces, and private household employees. Includes all full- and part-time wage and salary workers receiving pay during the pay period including the 12th of the month.

2/ Includes textile mill products, rubber and miscellaneous plastic products, petroleum refining and related products, and leather products.

3/ Workers excluded because of involvement in labor-management disputes.


WHATCOM 6.0
OKANOGAN 7.9
FERRY 9.8
STEVENS 7.6
PEND OREILLE 10.5
SAN JUAN 3.9
SKAGIT 7.6
ISLAND 4.5
SNOHOMISH 4.8
CLALLAM 7.1
CHELAN 6.8
DOUGLAS 5.2
SPOKANE 5.5
LINCOLN 4.6
JEFFERSON 5.9
KITSAP 5.2
KING 4.4
MASON 7.0
GRAYS HARBOR 9.2
KITTITAS 6.5
GRANT 7.3
ADAMS 7.0
WHITMAN 2.1
PIERCE 5.8
THURSTON 6.1
YAKIMA 8.0
PACIFIC 8.5
LEWIS 7.4
FRANKLIN 7.8
BENTON 7.3
WALLA WALLA 5.2
COLUMBIA 13.5
GARFIELD 3.9
ASOTIN 4.4
WAHKIAKUM 8.0
COWLITZ 6.7
SKAMANIA 11.5
KLICKITAT 8.1
CLARK 5.0

STATE OF WASHINGTON 5.5

Washington State
Employment Security Department
Labor Market and Economic Analysis Branch

RESIDENT LABOR FORCE AND EMPLOYMENT IN WASHINGTON STATE AND LABOR MARKET AREAS

DATE 11/30/88
Benchmark: 1987

(Not Seasonally Adjusted)

	OCTOBER 1988 PRELIMINARY 1/				SEPTEMBER 1988 REVISED 1/				OCTOBER 1987 REVISED			
	Labor Force	Employment	Unemployment	Unemp. Rate	Labor Force	Employment	Unemployment	Unemp. Rate	Labor Force	Employment	Unemployment	Unemp. Rate
Washington State total	2,348,900	2,220,700	128,200	5.5	2,352,300	2,213,500	138,800	5.9	2,307,300	2,148,300	159,000	6.9
Bellingham MSA	61,400	57,700	3,700	6.0	60,300	56,400	3,900	6.5	60,300	55,800	4,500	7.5
Bremerton MSA	72,800	69,000	3,800	5.2	72,500	68,400	4,100	5.7	74,200	69,600	4,600	6.2
Olympia MSA	75,100	70,500	4,600	6.1	75,900	70,900	5,000	6.6	74,700	69,300	5,400	7.2
Seattle PMSA	1,055,800	1,007,900	47,900	4.5	1,049,900	1,000,700	49,200	4.7	1,016,100	957,300	58,800	5.8
King County 2/	838,400	801,100	37,300	4.4	833,400	795,400	38,000	4.6	806,200	760,900	45,300	5.6
Snohomish County 2/	217,300	206,800	10,500	4.8	216,500	205,300	11,200	5.2	209,900	196,400	13,500	6.4
Spokane MSA	170,500	161,100	9,400	5.5	169,700	160,200	9,500	5.6	167,700	156,800	10,900	6.5
Tacoma PMSA	250,700	236,100	14,600	5.8	251,600	236,300	15,300	6.1	244,700	226,500	18,200	7.4
Tri-Cities MSA	66,000	61,100	4,900	7.4	66,900	61,900	5,000	7.5	68,800	63,200	5,600	8.1
Benton County 2/	50,700	47,000	3,700	7.3	51,200	47,600	3,600	7.0	52,800	48,600	4,200	8.0
Franklin County 2/	15,300	14,100	1,200	7.8	15,600	14,300	1,300	8.3	16,000	14,600	1,400	8.8
Vancouver PMSA	115,000	109,200	5,800	5.0	114,700	108,600	6,100	5.3	112,700	104,800	7,900	7.0
Yakima MSA	96,900	89,100	7,800	8.0	98,900	91,300	7,600	7.7	100,600	91,800	8,800	8.7
Adams	7,190	6,690	500	7.0	7,470	6,970	500	6.7	6,810	6,300	510	7.5
Asotin	9,440	9,020	420	4.4	9,440	9,010	430	4.6	8,230	7,630	600	7.3
Clallam	22,420	20,830	1,590	7.1	23,370	20,730	2,640	11.3	23,430	21,030	2,400	10.2
Columbia	1,480	1,280	200	13.5	1,530	1,290	240	15.7	1,690	1,390	300	17.8
Cowlitz	36,320	33,890	2,430	6.7	36,530	33,240	3,290	9.0	35,930	32,380	3,550	9.9
Ferry	2,660	2,400	260	9.8	2,720	2,390	330	12.1	2,580	2,360	220	8.5
Garfield	1,020	980	40	3.9	1,020	970	50	4.9	1,000	940	60	6.0
Grant	24,780	22,960	1,820	7.3	25,810	23,580	2,230	8.6	25,680	23,240	2,440	9.5
Grays Harbor	23,740	21,560	2,180	9.2	25,290	21,820	3,470	13.7	26,200	22,930	3,270	12.5
Island	18,250	17,430	820	4.5	18,610	17,800	810	4.4	18,760	17,630	1,130	6.0
Jefferson	7,670	7,220	450	5.9	8,260	7,690	570	6.9	7,870	7,270	600	7.6
Kittitas	11,500	10,750	750	6.5	11,670	10,700	970	8.3	11,890	11,010	880	7.4
Klickitat	7,550	6,940	610	8.1	8,010	7,100	910	11.4	7,890	7,100	790	10.0
Lewis	25,260	23,380	1,880	7.4	25,860	22,720	3,140	12.1	24,730	21,630	3,100	12.5
Lincoln	4,120	3,930	190	4.6	4,110	3,940	170	4.1	4,040	3,760	280	6.9
Mason	11,690	10,870	820	7.0	11,550	10,510	1,040	9.0	13,050	11,920	1,130	8.7
Okanogan	19,490	17,960	1,530	7.9	17,790	16,190	1,600	9.0	17,850	16,360	1,490	8.3
Pacific	6,020	5,510	510	8.5	6,120	5,160	960	15.7	6,400	5,670	730	11.4
Pend Oreille	3,340	2,990	350	10.5	3,440	3,010	430	12.5	2,960	2,560	400	13.5
San Juan	4,860	4,670	190	3.9	5,660	5,470	190	3.4	5,370	5,110	260	4.8
Skagit	32,690	30,220	2,470	7.6	34,250	31,550	2,700	7.9	33,820	30,150	3,670	10.9
Skamania	2,270	2,010	260	11.5	2,490	2,050	440	17.7	2,220	1,820	400	18.0
Stevens	11,380	10,510	870	7.6	11,730	10,650	1,080	9.2	11,430	10,350	1,080	9.4
Wahkiakum	1,130	1,040	90	8.0	1,170	950	220	18.8	1,220	1,060	160	13.1
Walla Walla	23,240	22,030	1,210	5.2	23,460	22,220	1,240	5.3	23,340	21,820	1,520	6.5
Wenatchee Labor Area	45,920	43,050	2,870	6.3	45,780	42,580	3,200	7.0	44,500	41,680	2,820	6.3
Chelan County 2/	31,240	29,130	2,110	6.8	31,210	28,810	2,400	7.7	30,220	28,200	2,020	6.7
Douglas County 2/	14,680	13,920	760	5.2	14,570	13,770	800	5.5	14,290	13,480	810	5.7
Whitman	19,160	18,750	410	2.1	19,000	18,560	440	2.3	18,800	18,250	550	2.9

1/ Estimates provided here are for use as an economic time-series. Official Bureau of Labor Statistics estimates, which must be used for Federal program purposes, are available upon request.

2/ Estimates are determined by using the Population/Claims Share disaggregation methodology.

Note: Detail may not add due to rounding.

Washington State
Employment Security Department
Labor Market and Economic Analysis Branch

WASHINGTON STATE LABOR FORCE AND EMPLOYMENT ESTIMATES FOR FEDERAL PROGRAM PURPOSES

November 30, 1988
Benchmark: 1987

(Not Seasonally Adjusted)

	OCTOBER 1988 PRELIMINARY 1/				SEPTEMBER 1988 REVISED 1/			
	Labor Force	Employment	Unemployment	Unemp. Rate	Labor Force	Employment	Unemployment	Unemp. Rate
Washington State total	2,304,100	2,180,200	123,900	5.4	2,296,200	2,167,600	128,600	5.6
Bellingham MSA	60,300	56,700	3,600	6.0	58,900	55,300	3,600	6.1
Bremerton MSA	71,400	67,700	3,700	5.2	70,800	67,000	3,800	5.4
Olympia MSA	73,700	69,200	4,500	6.1	74,000	69,400	4,600	6.2
Seattle PMSA	1,035,800	989,500	46,300	4.5	1,025,400	979,900	45,500	4.4
King County 2/	822,600	786,500	36,100	4.4	814,100	778,900	35,200	4.3
Snohomish County 2/	213,200	203,000	10,200	4.8	211,400	201,000	10,400	4.9
Spokane MSA	167,300	158,200	9,100	5.4	165,700	156,900	8,800	5.3
Tacoma PMSA	245,900	231,800	14,100	5.7	245,600	231,400	14,200	5.8
Tri-Cities MSA	64,800	60,000	4,800	7.4	65,200	60,600	4,600	7.1
Benton County 2/	49,800	46,200	3,600	7.2	50,000	46,600	3,400	6.8
Franklin County 2/	15,000	13,800	1,200	8.0	15,200	14,000	1,200	7.9
Vancouver PMSA	112,800	107,200	5,600	5.0	112,100	106,400	5,700	5.1
Yakima MSA	95,000	87,400	7,600	8.0	96,400	89,400	7,000	7.3
Adams	7,050	6,570	480	6.8	7,290	6,830	460	6.3
Asotin	9,270	8,860	410	4.4	9,220	8,820	400	4.3
Clallam	21,990	20,450	1,540	7.0	22,750	20,300	2,450	10.8
Columbia	1,450	1,260	190	13.1	1,480	1,260	220	14.9
Cowlitz	35,620	33,270	2,350	6.6	35,600	32,550	3,050	8.6
Ferry	2,600	2,350	250	9.6	2,650	2,340	310	11.7
Garfield	990	960	30	3.0	990	950	40	4.0
Grant	24,300	22,540	1,760	7.2	25,150	23,090	2,060	8.2
Grays Harbor	23,270	21,170	2,100	9.0	24,590	21,370	3,220	13.1
Island	17,910	17,120	790	4.4	18,180	17,430	750	4.1
Jefferson	7,530	7,090	440	5.8	8,060	7,530	530	6.6
Kittitas	11,280	10,550	730	6.5	11,380	10,480	900	7.9
Klickitat	7,400	6,810	590	8.0	7,790	6,950	840	10.8
Lewis	24,780	22,960	1,820	7.3	25,150	22,250	2,900	11.5
Lincoln	4,050	3,860	190	4.7	4,010	3,850	160	4.0
Mason	11,460	10,670	790	6.9	11,250	10,290	960	8.5
Okanogan	19,110	17,630	1,480	7.7	17,340	15,860	1,480	8.5
Pacific	5,910	5,410	500	8.5	5,940	5,050	890	15.0
Pend Oreille	3,280	2,940	340	10.4	3,350	2,950	400	11.9
San Juan	4,770	4,580	190	4.0	5,540	5,360	180	3.2
Skagit	32,050	29,660	2,390	7.5	33,400	30,890	2,510	7.5
Skamania	2,220	1,970	250	11.3	2,420	2,010	410	16.9
Stevens	11,160	10,320	840	7.5	11,430	10,430	1,000	8.7
Wahkiakum	1,100	1,020	80	7.3	1,130	930	200	17.7
Walla Walla	22,800	21,630	1,170	5.1	22,910	21,760	1,150	5.0
Wenatchee Labor Area	45,030	42,260	2,770	6.2	44,650	41,690	2,960	6.6
Chelan County 2/	30,640	28,600	2,040	6.7	30,430	28,210	2,220	7.3
Douglas County 2/	14,400	13,660	740	5.1	14,220	13,480	740	5.2
Whitman	18,810	18,410	400	2.1	18,570	18,170	400	2.2

1/ Official U.S. Department of Labor, Bureau of Labor Statistics data. Data are not comparable with estimates made in previous years.
2/ Estimates are determined by using the Population/Claims Share disaggregation methodology.
Note: Detail may not add due to rounding.

ESTIMATED AVERAGE HOURS AND EARNINGS OF PRODUCTION WORKERS IN MANUFACTURING AND OF NONSUPERVISORY WORKERS IN NONMANUFACTURING ACTIVITIES, STATE OF WASHINGTON

	Prelim SEP Production Workers/ Nonsupervisory Workers	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
		Sep-88	Aug-88	Sep-87	Sep-88	Aug-88	Sep-87	Sep-88	Aug-88	Sep-87
TOTAL MANUFACTURING INDUSTRIES*	208,567	$473.60	$465.68	$469.59	40.0	39.7	39.1	$11.84	$11.73	$12.01
SELECTED MANUFACTURING INDUSTRIES										
Lumber and Wood Products	35,299 **	$386.28	$390.60	$389.05	36.0	37.2	35.4	$10.73	$10.50	$10.99
Primary Metal Industries	10,263 **	$545.70	$540.11	$570.43	42.8	42.9	44.6	$12.75	$12.59	$12.79
Fabricated Metal Products	9,073	$449.20	$440.82	$418.42	40.0	39.5	37.9	$11.23	$11.16	$11.04
Machinery	19,966	$384.08	$369.03	$372.88	40.6	39.3	38.6	$9.46	$9.39	$9.66
Food and Kindred Products	28,210	$361.13	$369.19	$357.20	38.5	38.1	38.0	$9.38	$9.69	$9.40
Chemical and Allied Products	4,133	$625.92	$593.46	$630.19	41.7	40.9	37.4	$15.01	$14.51	$16.85
Transportation Equipment	51,473	$607.35	$582.05	$598.16	43.6	42.3	41.8	$13.93	$13.76	$14.31
SELECTED NONMANUFACTURING INDUSTRIES										
Construction	82,702	$605.62	$594.09	$552.22	37.2	36.9	34.6	$16.28	$16.10	$15.96
Wholesale and Retail Trade (does not include eating and drinking establishments)	297,941 **	$320.05	$315.18	$325.51	33.2	32.9	34.3	$9.64	$9.58	$9.49

* Average hourly earnings for all manufacturing production workers reported in this table do not exactly reflect the official US Bureau of Labor Statistics definition of "wages." While these data still constitute a valid economic indicator series, they should not be used at this time for the negotiation of contracts whose monetary provisions may depend upon official US Bureau of Labor Statistics hourly earning data.

** Affected by labor-management disputes.

ESTIMATED AVERAGE HOURS AND EARNINGS OF PRODUCTION WORKERS IN MANUFACTURING AND OF NONSUPERVISORY WORKERS IN NONMANUFACTURING ACTIVITIES, STATE OF WASHINGTON

	Prelim Oct Production Workers/ Nonsupervisory Workers	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
		Oct-88	Sep-88	Oct-87	Oct-88	Sep-88	Oct-87	Oct-88	Sep-88	Oct-87
TOTAL MANUFACTURING INDUSTRIES‡	208,946	$477.98	$474.02	$473.21	40.2	39.8	39.9	$11.89	$11.91	$11.86
SELECTED MANUFACTURING INDUSTRIES										
Lumber and Wood Products	35,460	$417.38	$383.03	$401.47	37.5	35.4	36.9	$11.13	$10.82	$10.88
Primary Metal Industries	10,182 ‡‡	$532.56	$546.98	$559.45	42.2	42.9	44.9	$12.62	$12.75	$12.46
Fabricated Metal Products	9,008	$438.40	$442.61	$426.21	38.9	39.1	39.5	$11.27	$11.32	$10.79
Machinery	19,760 ‡‡	$385.52	$384.20	$378.80	40.2	40.4	40.0	$9.59	$9.51	$9.47
Food and Kindred Products	28,002	$365.11	$363.47	$350.52	38.8	38.3	38.1	$9.41	$9.49	$9.20
Chemical and Allied Products	4,089	$597.37	$633.69	$573.13	41.0	41.8	37.0	$14.57	$15.16	$15.49
Transportation Equipment	52,434	$603.40	$605.43	$614.61	43.1	43.4	42.8	$14.00	$13.95	$14.36
SELECTED NONMANUFACTURING INDUSTRIES										
Construction	82,238	$615.00	$604.36	$612.09	37.5	37.1	37.9	$16.40	$16.29	$16.15
Wholesale and Retail Trade (does not include eating and drinking establishments)	298,082	$322.04	$320.08	$309.21	33.2	33.1	33.5	$9.70	$9.67	$9.23

‡ Average hourly earnings for all manufacturing production workers reported in this table do not exactly reflect the official US Bureau of Labor Statistics definition of "wages." While these data still constitute a valid economic indicator series, they should not be used at this time for the negotiation of contracts whose monetary provisions may depend upon official US Bureau of Labor Statistics hourly earning data.

‡‡ Affected by labor-management disputes.

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Washington State
Employment Security

Isiah Turner
Commissioner

Prepared by the
Labor Market And
Economic Analysis Branch
(206) 438-4800

Gary Bodeutsch
Director

In cooperation with the
Employment and Training
Administration
U.S. Department of Labor

December 1988

Highlights

**Electronic Bulletin Board Service
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Fewer Seasonal Jobs

With the approach of winter, the number of seasonal jobs in the state began to retreat. Total employment fell 24,000 between October and November, but remained up 82,300, or 3.9 percent, over the year. Most of the reduction from October was in agriculture where the apple harvest was completed. The harvest employed over 23,000 workers alone in October. The loss in nonfarm wage and salary employment was limited to 1,600 as cutbacks in construction, food processing, fruit packing, amusements, and lumber-wood products were largely offset by seasonal gains in retail trade, education and further growth in aerospace.

Unemployment Up Seasonally

Total unemployment in Washington State rose from 129,700 and 5.5 percent of the labor force

Volume 12, Number 12

	Nov. 1988* (Prel.)	Oct. 1988* (Rev.)	Nov. 1987
Civilian Labor Force	2,336,400	2,350,900	2,283,000
Total Employment	2,197,200	2,221,200	2,114,900
Total Unemployment	139,200	129,700	168,100
State Unemployment Rate	6.0	5.5	7.4
National Civilian Unemployment Rate	5.2	5.0	5.6

*These data represent alternative estimates of labor force conditions developed by the State Employment Security Department. They are more comparable with data released in previous years than are the official Bureau of Labor Statistics estimates developed for federal program purposes. (Data in this table are not seasonally adjusted.)

in October to 139,200 and 6.0 percent in November. The increase was no more than expected for this time of the year and the seasonally adjusted rate was 6.0 percent in both October and November. As usual in November, the increase in unemployment (9,500) was much less than the decline in employment (24,000) because many of those employed in the apple harvest were migrants from other states who returned to their home areas when the harvest was complete. Over one-third of all seasonal farm workers in the state in October were from other states.

Fewer Jobless This Year

Even with the increase over the month, unemployment was down nearly 29,000 from November 1987 when the rate was 7.4 percent. The year-to-year reduction in the state (7.4 to 6.0 percent) was considerably greater than for the nation (5.6 to 5.2 percent) and reflects the substantial improvement in employment opportunities locally. The state's rate remains above the national rate but that is largely because Washington State's economy has a greater share of its employment in seasonal industries than the nation. In addition, workers continue to migrate to Washington State because of growing employment opportunities, which increases the competition for jobs.

INDUSTRY DEVELOPMENTS

Total Nonfarm Employment Little Changed

Total nonagricultural wage and salary employment (-1,600) was little changed between October and November, but substantial changes occurred in individual industries. The largest were noted in the nonmanufacturing group with construction payrolls falling 5,400, services down 2,500, and wholesale trade employment off 1,200. Offsetting gains were credited to retail trade which added 5,000 workers and public education which rose 4,200.

Construction Retreats But High For November

The drop in construction employment was expected because of deteriorating weather and the completion or suspension of outdoor projects. Few new projects are started at this time of the year to offset completions because of the approach of winter. The largest loss occurred in street and highway work which is highly dependent on favorable weather. Despite the loss, however, construction employment was at its highest November level since 1979, when work was underway on nuclear power plants.

Fewer Fair-Weather Jobs in Services

The decline in services jobs was also seasonal with the major losses in agricultural services with less demand for lawn and garden care and at hotels-motels because of less tourist business. A sizable loss also occurred in amusements because of cutbacks in most outdoor recreation (golf, amusement parks, carnivals, fairs, etc.). The loss, however, was tempered by an early start at ski resorts.

Private schools added staff in November as usual and health services continued to expand to cushion the loss in the services group. Employment at hospitals, though, remained relatively unchanged.

Completion of Harvests Lowers Employment in Wholesale Trade and Trucking

Most of the loss in wholesale trade (down 1,200) occurred at fruit and vegetable warehouses because of the end of the apple harvest and fewer fresh vegetables available. Fertilizer and farm chemical dealers also reduced employment seasonally.

The wind down of harvest activity contributed to lower employment in transportation-communications-utilities (down 400) with less farm-to-market hauling. A sizable gain in longshoring partially offset the loss, however.

Santa's Helpers

The addition of temporary holiday sales workers boosted employment in retail trade 5,000 in November. The only losses in retail trade were seasonal: employment fell at building material and garden supply outlets, gasoline service stations and recreation vehicle dealers.

Schools Add 4,200

Public education rose 4,200 in November as schools and colleges continued to round out their staffing for the new school year. Other public employment fell to limit the overall increase in government civilian payrolls to 2,700 for the month. The losses were mainly in outdoor work, on roads and at parks and forests.

Food Processing Lower But Aerospace Up

Total manufacturing employment (down 100) was little changed between October and November as gains nearly offset losses. Significantly, however, the largest loss was seasonal while the largest increase was not. Food and kindred products was down 2,000 for the month with most of the loss at canneries and freezing plants which completed fall vegetable runs. More than offsetting the loss of seasonal jobs in food processing, aerospace added 2,200 workers in November to post its largest monthly gain of the year. Through November, aerospace employment was up 7,600 for the year. The expansion, of course, reflects The Boeing Company's attempt to keep up with its growing backlog of orders. The backlog at the end of 1988 totaled 1,100 planes worth $45 billion.

In other manufacturing industries, a normal seasonal decline lowered lumber employment 600 in November. Seasonal losses of 100 to 200 were noted in stone-clay-glass products, fabricated metals, and pulp-paper. The settlement of a labor dispute, however, boosted machinery payrolls by 700 over the month.

90,000 New Jobs

Changes from October to November were largely seasonal, but over the year nonfarm employment in the state has increased 90,000 or 4.8 percent. Significantly, growth in manufacturing has kept pace with an increase of 15,500 jobs (4.8 percent) year to year. Aerospace accounted for 8,000 of the new jobs, but other manufacturing industries added 7,500 with the largest expansions in aluminum (up 1,000), machinery (up 1,900), food products (up 1,600), and printing-publishing (up 900). The increase in aluminum employment reflects resurgence in manufacturing nationally. The price of aluminum (midwest) was quoted at $1.12 to $1.13 per pound in early January, up from $0.875 one year earlier. The expansion in machinery also reflects renewed strength in manufacturing nationally and growth in export demand because of the decline in the value of the dollar.

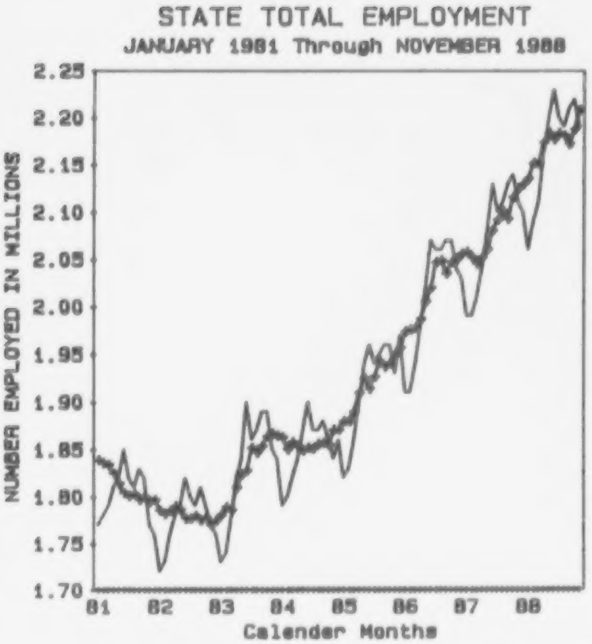
The additional jobs in food products was partially due to the opening of new surimi plants in the state. Surimi is produced from bottom fish and formed and flavored to imitate crab, shrimp or other relatively expensive seafoods. The drought in the midwest also helped state food manufacturers by boosting demand for vegetables canned and frozen in the state. The need for manuals to accompany software programs was partially responsible for the expansion in printing-publishing. The state's software industry has grown rapidly in the last year.

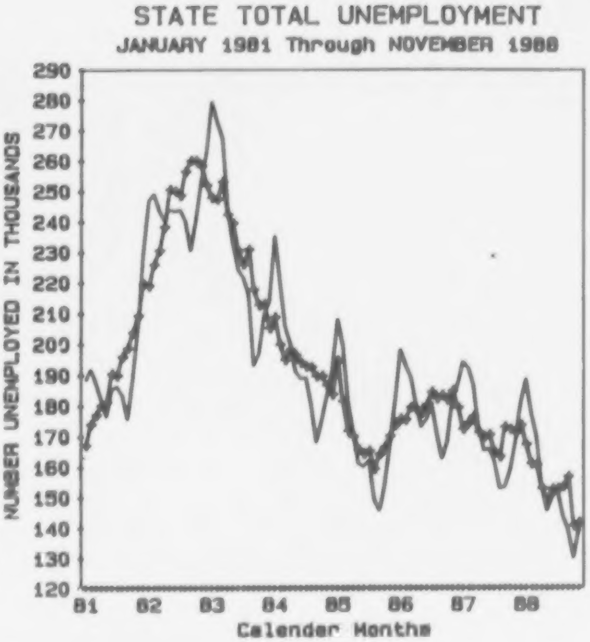
Construction, Retail Trade and Services Lead Expansion

In the nonmanufacturing industries, services (up 22,500), retail trade (up 19,000) and construction (up 12,200) led the expansion to mirror the vigorous growth in the state's economy. Nearly one-half of the increase in retail trade was at eating and drinking places which have expanded because of more multiple wage earner families and population growth. About one-third of the growth in services was in business services (services to buildings; computer, data processing, software; personnel supply, etc.). Health services contributed 4,500 jobs to the expansion but its 3.4 percent increase was well below the 6.0 percent gain in all other service industries and the 4.8 percent growth in total wage and salary employment over the year.

Government Jobs Growing Slowly

Government civilian employment rose 7,600 over the year representing a 2.1 percent increase which was less than half of the growth rate in total nonfarm employment. The gain, however, was in line with the 1987-1988 increase in the state's population of 1.9 percent. Federal civilian employment (down 1,500) actually declined over the year with nearly all of the reduction at military installations where tighter budgets have forced cutbacks in the civilian workforce.


STATE TOTAL EMPLOYMENT
JANUARY 1981 Through NOVEMBER 1988


STATE TOTAL UNEMPLOYMENT
JANUARY 1981 Through NOVEMBER 1988

+ SEASONALLY ADJUSTED — NOT SEASONALLY ADJUSTED

AREA TRENDS

Employment Down in Eastern Washington, up on Westside

Total employment in the state fell 24,000 between October and November, but employment in Eastern Washington dropped 29,500 because of the completion of the apple harvest, declining employment in other agricultural activities, losses in food processing and at fruit-vegetable warehouses as well as cutbacks in other seasonal industries such as construction, hotels-motels, etc. In Western Washington employment rose 5,600 as the hiring of temporary holiday workers in retail trade, seasonal gains in education and continued growth in aerospace was sufficient to offset losses in construction, lumber and other seasonal industries.

Unemployment Rate 8.1 Percent in Eastern Washington 5.4 on Westside

As could be expected, unemployment increased substantially in Eastern Washington between October and November, from 6.6 to 8.1 percent. In Western Washington unemployment edged up from 5.2 to 5.4 percent despite the increase in employment because many of the new jobs in retail trade were filled by students and others who were not unemployed or in the labor force in

October. Meanwhile, workers laid off in construction, lumber and other industries added to the jobless total.

Unemployment in counties highly dependent on the lumber industry, most of which are in Western Washington, saw their overall jobless rate jump from 7.7 to 8.8 percent over the month because of deteriorating weather conditions. Typical of these areas were Grays Harbor (9.2 to 9.9 percent) and Lewis (7.5 to 8.3 percent) counties. By contrast, the unemployment rate in the Seattle Metropolitan Area remained unchanged at 4.6 percent, while the rate edged up from 5.9 to 6.0 percent in the Tacoma Metropolitan Area.

60 Percent of Job Growth In Seattle Metropolitan Area

Between November 1987 and 1988, employment increased in most areas of the state, but the largest actual and relative gain was in the Seattle Metropolitan Area. Employment in Eastern Washington rose 2.3 percent over the year, while Western Washington's job total moved up 4.3 percent. In the Seattle area, employment rose 5.1 percent year to year. The Seattle Metropolitan Area accounts for 40 percent of the state's population, but 60 percent of the state's job growth occurred in the Seattle area over the year.

INDUSTRY NOTES

State's Military Bases to Expand

If a government commission's recommendations are approved by the Secretary of Defense and Congress, the number of military positions in Washington State will increase by 894 and civilian jobs at military installations in the state will increase by 144. The Sand Point Naval Station would partially close, but the civilian and military personnel cut would be transferred to the Everett Navy Base. McChord Air Force Base would gain 618 military personnel and 137 civilian workers. Fairchild Air Force Base in Spokane would add 138 military positions according to the recommendations and Fort Lewis would add 138 military and seven civilian personnel.

The commission recommended that 86 military installations in the nation be closed by 1995. As a result of the closures and consolidations, 54 other installations would grow including four in Washington State.

Bonus for Boeing Workers

Approximately 65,600 Boeing workers in Washington State received bonuses averaging $1,327 in December, totaling $89 million. The total last year was $81 million. The average was about the same last year but there were fewer eligible employees. The bonuses amount to five percent of annual wages. Management, professional and administrative employees are not included in the payments. Boeing gives the once-a-year bonus to keep base wages down. The contract which provides the bonus, however, expires this year.

New Boatbuiding Plant for Puyallup

Truline, Inc. will open a plant to manufacture fiberglass boats in Puyallup early this year. Initially the firm will employ 15 workers. Within three years, however, Truline expects to have 100 employees producing 13 models of various lengths. The firm test-marketed small skiffs manufactured by another firm last year. They expected to sell 100 but sold 300. This year they hope to sell about 1,000 boats.

$50 Million Contract For Spokane Firm

Output Technology Corp., a high-tech firm east of Spokane, received a $50 million contract from AT&T in late November to manufacture high speed printers for the Air Force. The contract is believed to be one of the largest ever awarded to a Spokane area firm. Output Technology will be a subcontractor to AT&T, which received a five-year $929 million contract last year to automate Air Force installations.

Gold Mines to Open

Echo Bay Mines Ltd. announced in December that it would open two gold mines and construct a new milling facility near Republic by early 1990. The operations are expected to employ up to 200 workers.

Construction is expected to start this spring, with construction employment peaking at 150 workers. A company spokesman said that the firm has spent $13 million developing the project and will spend another $47 million before production begins.

The estimated production life of the mines is seven years, but the firm believes its chances of extending the reserves and finding additional gold in the area are good.

Digital Equipment Will Not Build New Research Facility

Digital Equipment Corp., a manufacturer of network computer systems, has decided not to build a research facility north of Bothell. In

June they announced that they would build the facility and eventually employ up to 2,350 workers there. The firm cited a change in corporate strategy for its decision not to proceed with the project.

NATIONAL ECONOMIC INDICATORS

Expansion Continues

Economic data show an exceptionally strong economy in the final months of 1988, and while the growth rate may decline, there is little indication that a recession will begin in 1989. In December the national unemployment rate fell to a 14-year low as employment continued to grow. Industrial production increased a substantial 0.5 percent in both October and November. The nation's mines, utilities and factories operated at 84.2 percent of capacity in November, the highest level in nine years.

Outlook for 1989 Promising

While concern over inflationary pressures and rising interest rates continue, forecasts by various groups suggest that the nation's economy will continue to expand in 1989. A survey of 38 national economists by The Wall Street Journal found that while they believe interest rates will continue to increase in the early months of 1989, the higher rates will not prevent the economy from expanding for is seventh straight year. The economists in the survey believe action by the Federal Reserve to prevent inflation from accelerating will keep interest rates moving up in the initial months of 1989. This, they believe, will slow the economy and that will result in falling rates in the second half of the year.

Only one of the 38 economists expects a recession to begin in the first half of 1989. And although most disagree, several others believe a downturn will begin late this year. On average, however, the economists projected that the GNP would grow at an annual rate of 3.8 percent after inflation in the first half and 1.6 percent in the final six months. The GNP increased 3.0 percent in 1988. Inflation is expected to increase only slightly, from a 4.6 percent rise in 1988 to 5.0 in 1989. The group believes unemployment will slip from the November 1988 level of 5.4 percent (seasonally adjusted) to 5.2 percent in May 1989 and then increase to 5.5 percent in November 1989.

Purchasing Agents Optimistic

Purchasing agents were even more optimistic about prospects for the nation's economy in 1989. A survey by the National Association of Purchasing Management found that four out of five of its members believe the economy will improve in 1989. Most of those responding to the survey believe growth in the first half of 1989 will be greater than in the final months of 1988. They expect the growth rate to decline, however, in the last half of 1989. The group also expects capital expenditures and exports to continue growing moderately and the rate of inflation to decline.

Leading Economic Indicators Show No Trend

The Index of Leading Economic Indicators, the government's main gauge of future economic activity, dropped 0.2 percent in November to change directions for the seventh consecutive month. It rose 0.4 percent in October but dropped 0.3 percent in September. Most analysts believe this zig-zag pattern indicates that growth in the economy will slow in subsequent months.

Leading indicators showing improvement in November included orders for consumer goods, plant and equipment orders, and the money supply. Economic indicators contributing to the decline in the overall index were initial claims for unemployment insurance (rose), the business delivery index, sensitive material prices, and stock market prices. The average workweek and building permits were unchanged from October.

CONSUMER PRICE INDEX
(All Items, Urban Consumers, 1982-1984=100)**

	INDEXES			PERCENT CHANGE Year Ending	
	Nov. 1988	Oct. 1988	Nov. 1987	Nov. 1988	Oct. 1988
U.S. City Average	120.3	120.2	115.4	4.2	4.2
	Jan.-June 1988	Jan.-June 1987		Jan.-June '87 to Jan.-June '88	
Seattle*	111.9	108.2		3.4	

* The index for Seattle reflects prices in King, Pierce and Snohomish counties.
** The base period for the index has been changed from 1967=100 to 1982-1984=100. The conversion factors for the All Items, Urban Consumers Indexes on the 1967=100 base are U.S=0.3338279, Seattle=0.3280421.

Source: U.S. Department of Labor, Bureau of Labor Statistics

NONAGRICULTURAL WAGE & SALARY WORKERS IN WASHINGTON STATE, PLACE OF WORK 1/

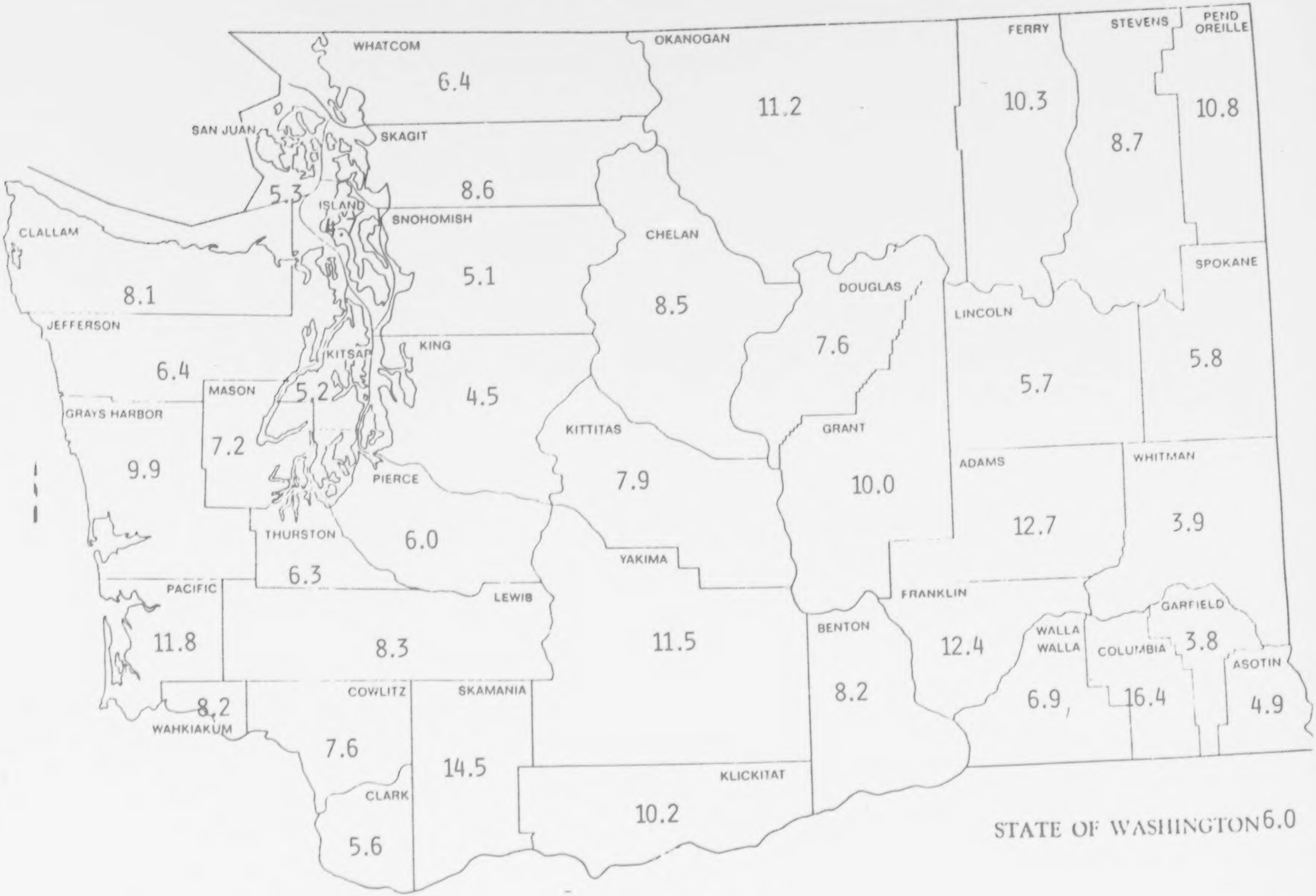
(In Thousands)

NOT SEASONALLY ADJUSTED Industry	November 1988 (PREL.)	October 1988 (REV.)	November 1987 (REV.)	October 1987 (REV.)	Numerical Change Oct. 1988 to Nov. 1988	 Nov. 1987 to Nov. 1988
TOTAL NONAG. WAGE AND SALARY	1,973.0	1,974.6	1,883.0	1,885.6	-1.6	90.0
MANUFACTURING	341.1	341.2	325.6	326.5	-0.1	15.5
Durable Goods	243.9	241.9	230.2	228.4	2.0	13.7
Lumber and Wood Products	41.1	41.7	40.7	40.8	-0.6	0.4
Furniture and Fixtures	3.9	3.9	3.9	3.8	0.0	0.0
Stone, Clay and Glass	6.8	6.9	6.6	6.7	-0.1	0.2
Primary Metals	12.8	12.7 3/	11.6	11.6	0.1	1.2
Aluminum	8.9	8.8	7.9	7.8	0.1	1.0
Fabricated Metals	11.2	11.4	10.8	11.0	-0.2	0.4
Machinery	32.1	31.4	30.2	29.9	0.7	1.9
Machinery (Except Electrical)	18.0	18.0	16.9	16.7	0.0	1.1
Electrical Equipment	14.1	13.4 3/	13.3	13.2	0.7	0.8
Transportation Equipment	119.5	117.5	110.8	109.2	2.0	8.7
Aerospace	105.1	102.9	97.1	95.6	2.2	8.0
Other Transp. Equipment	14.4	14.6	13.7	13.6	-0.2	0.7
Instruments and Related	11.1	11.1	10.7	10.6	0.0	0.4
Misc. Manufacturing	5.4	5.3	4.9	4.8	0.1	0.5
Nondurable Goods	97.2	99.3	95.4	98.1	-2.1	1.8
Food and Kindred Products	34.1	36.1	32.5	34.9	-2.0	1.6
Canned and Preserved Foods	12.9	14.8	11.6	14.0	-1.9	1.3
Apparel and Allied Products	6.1	6.1	6.0	6.1	0.0	0.1
Paper and Allied Products	16.5	16.6	16.4	16.5	-0.1	0.1
Printing and Publishing	21.5	21.5	20.6	20.5	0.0	0.9
Chemicals and Allied Products	10.0	10.0	11.2	11.3	0.0	-1.2
Other Nondurable Goods 2/	9.0	9.0	8.7	8.8	0.0	0.3
MINING and QUARRYING	3.4	3.4	3.1	3.1	0.0	0.3
CONSTRUCTION	102.7	108.1	90.5	94.2	-5.4	12.2
TRANSP.,COMM. and UTIL.	105.5	105.9	99.9	100.4	-0.4	5.6
WHOLESALE and RETAIL TRADE	489.1	485.3	465.3	462.7	3.8	23.8
Wholesale Trade	117.8	119.0	113.0	114.8	-1.2	4.8
Retail Trade	371.3	366.3	352.3	347.9	5.0	19.0
FIN. INS. and REAL ESTATE	109.3	109.0	106.8	107.1	0.3	2.5
SERVICES	451.7	454.2	429.2	430.4	-2.5	22.5
Health Services	136.8	136.4	132.3	132.2	0.4	4.5
GOVERNMENT	370.2	367.5	362.6	361.2	2.7	7.6
Federal	68.7	68.8	70.2	70.5	-0.1	-1.5
State and Local	301.5	298.7	292.4	290.7	2.8	9.1
Education	162.2	158.0	157.5	154.7	4.2	4.7
WORKERS IN LABOR-MANAGEMENT DISPUTES	0.0	0.7	0.0	0.0	-0.7	0.0

1/ Excludes proprietors, self-employed, members of armed forces, and private household employees. Includes all full- and part-time wage and salary workers receiving pay during the pay period including the 12th of the month.

2/ Includes textile mill products, rubber and miscellaneous plastic products, petroleum refining and related products, and leather products.

3/ Workers excluded because of involvement in labor-management disputes.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STATE OF WASHINGTON 6.0

Washington State
Employment Security Department
Labor Market and Economic Analysis Branch

RESIDENT LABOR FORCE AND EMPLOYMENT IN WASHINGTON STATE AND LABOR MARKET AREAS

DATE 1/4/89
Benchmark: 1987

(Not Seasonally Adjusted)

	NOVEMBER 1988 PRELIMINARY 1/				OCTOBER 1988 REVISED 1/				NOVEMBER 1987 REVISED			
	Labor Force	Employment	Unemployment	Unemp. Rate	Labor Force	Employment	Unemployment	Unemp. Rate	Labor Force	Employment	Unemployment	Unemp. Rate
Washington State total	2,336,400	2,197,200	139,200	6.0	2,350,900	2,221,200	129,700	5.5	2,283,000	2,114,900	168,100	7.4
Bellingham MSA	61,300	57,400	3,900	6.4	61,700	57,900	3,800	6.2	59,600	54,600	5,000	8.4
Bremerton MSA	73,200	69,400	3,800	5.2	72,900	69,000	3,900	5.3	73,800	69,400	4,400	6.0
Olympia MSA	76,700	71,900	4,800	6.3	75,400	70,700	4,700	6.2	75,200	69,900	5,300	7.0
Seattle PMSA	1,061,600	1,012,700	48,900	4.6	1,055,500	1,007,200	48,300	4.6	1,022,700	963,200	59,500	5.8
King County 2/	842,800	805,000	37,800	4.5	838,200	800,600	37,600	4.5	811,400	765,600	45,800	5.6
Snohomish County 2/	219,000	207,800	11,200	5.1	217,300	206,600	10,700	4.9	211,400	197,600	13,800	6.5
Spokane MSA	171,000	161,000	10,000	5.8	171,100	161,600	9,500	5.6	168,300	156,100	12,200	7.2
Tacoma PMSA	252,300	237,200	15,100	6.0	251,100	236,300	14,800	5.9	246,100	227,300	18,800	7.6
Tri-Cities MSA	64,000	58,100	5,900	9.2	66,100	61,100	5,000	7.6	67,400	60,300	7,100	10.5
Benton County 2/	48,700	44,700	4,000	8.2	50,700	47,000	3,700	7.3	51,500	46,400	5,100	9.9
Franklin County 2/	15,300	13,400	1,900	12.4	15,300	14,100	1,200	7.8	15,900	13,900	2,000	12.6
Vancouver PMSA	115,200	108,800	6,400	5.6	115,000	109,200	5,800	5.0	111,400	103,700	7,700	6.9
Yakima MSA	87,800	77,700	10,100	11.5	96,900	89,000	7,900	8.2	87,400	75,800	11,600	13.3
Adams	6,620	5,780	840	12.7	7,190	6,690	500	7.0	6,430	5,390	1,040	16.2
Asotin	9,330	8,870	460	4.9	9,470	9,050	420	4.4	8,250	7,630	620	7.5
Clallam	22,440	20,630	1,810	8.1	22,430	20,820	1,610	7.2	22,430	20,350	2,080	9.3
Columbia	1,590	1,330	260	16.4	1,540	1,340	200	13.0	1,730	1,310	420	24.3
Cowlitz	36,370	33,620	2,750	7.6	36,330	33,850	2,480	6.8	35,110	32,010	3,100	8.8
Ferry	2,610	2,340	270	10.3	2,600	2,340	260	10.0	2,570	2,300	270	10.5
Garfield	1,040	1,000	40	3.8	1,030	1,000	30	2.9	1,010	920	90	8.9
Grant	23,310	20,970	2,340	10.0	24,780	22,950	1,830	7.4	23,530	20,520	3,010	12.8
Grays Harbor	24,110	21,730	2,380	9.9	23,830	21,630	2,200	9.2	25,830	22,630	3,200	12.4
Island	18,240	17,390	850	4.7	18,290	17,460	830	4.5	18,790	17,600	1,190	6.3
Jefferson	7,320	6,850	470	6.4	7,690	7,220	470	6.1	7,420	6,810	610	8.2
Kittitas	11,200	10,310	890	7.9	11,500	10,740	760	6.6	11,420	10,410	1,010	8.8
Klickitat	7,430	6,670	760	10.2	7,550	6,930	620	8.2	7,560	6,650	910	12.0
Lewis	25,650	23,520	2,130	8.3	25,290	23,390	1,900	7.5	24,410	21,830	2,580	10.6
Lincoln	4,190	3,950	240	5.7	4,180	3,990	190	4.5	4,100	3,750	350	8.5
Mason	11,660	10,820	840	7.2	11,710	10,870	840	7.2	12,950	11,950	1,000	7.7
Okanogan	15,350	13,630	1,720	11.2	19,490	17,950	1,540	7.9	14,950	13,050	1,900	12.7
Pacific	6,250	5,510	740	11.8	6,050	5,530	520	8.6	6,320	5,560	760	12.0
Pend Oreille	3,320	2,960	360	10.8	3,280	2,920	360	11.0	3,020	2,550	470	15.6
San Juan	4,890	4,630	260	5.3	4,990	4,790	200	4.0	5,010	4,690	320	6.4
Skagit	32,430	29,650	2,780	8.6	32,770	30,270	2,500	7.6	32,320	28,650	3,670	11.4
Skamania	2,340	2,000	340	14.5	2,280	2,010	270	11.8	2,210	1,810	400	18.1
Stevens	11,310	10,330	980	8.7	11,260	10,390	870	7.7	11,290	10,190	1,100	9.7
Wahkiakum	1,100	1,010	90	8.2	1,130	1,040	90	8.0	1,110	1,000	110	9.9
Walla Walla	23,330	21,710	1,620	6.9	23,330	22,090	1,240	5.3	23,410	21,490	1,920	8.2
Wenatchee Labor Area	39,960	36,680	3,280	8.2	45,920	43,020	2,900	6.3	39,290	35,590	3,700	9.4
Chelan County 2/	27,130	24,820	2,310	8.5	31,240	29,110	2,130	6.8	26,710	24,090	2,620	9.8
Douglas County 2/	12,830	11,860	970	7.6	14,680	13,910	770	5.2	12,590	11,510	1,080	8.6
Whitman	19,940	19,170	770	3.9	19,300	18,880	420	2.2	18,850	18,080	770	4.1

1/ Estimates provided here are for use as an economic time-series. Official Bureau of Labor Statistics estimates, which must be used for Federal program purposes, are available upon request.

2/ Estimates are determined by using the Population/Claims Share disaggregation methodology.

Note: Detail may not add due to rounding.

Washington State
Employment Security Department
Labor Market and Economic Analysis Branch

WASHINGTON STATE LABOR FORCE AND EMPLOYMENT ESTIMATES FOR FEDERAL PROGRAM PURPOSES

January 4, 1989
Benchmark: 1987

(Not Seasonally Adjusted)

	NOVEMBER 1988 PRELIMINARY 1/				OCTOBER 1988 REVISED 1/			
	Labor Force	Employment	Unemployment	Unemp. Rate	Labor Force	Employment	Unemployment	Unemp. Rate
Washington State total	2,298,700	2,161,000	137,700	6.0	2,305,300	2,180,100	125,200	5.4
Bellingham MSA	60,400	56,500	3,900	6.5	60,400	56,800	3,600	6.0
Bremerton MSA	71,900	68,200	3,700	5.1	71,500	67,700	3,800	5.3
Olympia MSA	75,400	70,700	4,700	6.2	73,900	69,400	4,500	6.1
Seattle PMSA	1,044,500	996,100	48,400	4.6	1,035,300	988,600	46,700	4.5
King County 2/	829,000	791,700	37,300	4.5	822,100	785,800	36,300	4.4
Snohomish County 2/	215,400	204,300	11,100	5.2	213,100	202,800	10,300	4.8
Spokane MSA	168,200	158,300	9,900	5.9	167,800	158,600	9,200	5.5
Tacoma PMSA	248,200	233,300	14,900	6.0	246,300	232,000	14,300	5.8
Tri-Cities MSA	63,000	57,100	5,900	9.4	64,800	60,000	4,800	7.4
Benton County 2/	47,800	43,900	3,900	8.2	49,800	46,200	3,600	7.2
Franklin County 2/	15,100	13,200	1,900	12.6	15,000	13,800	1,200	8.0
Vancouver PMSA	113,300	107,000	6,300	5.6	112,800	107,200	5,600	5.0
Yakima MSA	86,400	76,400	10,000	11.6	95,000	87,400	7,600	8.0
Adams	6,510	5,680	830	12.7	7,040	6,560	480	6.8
Asotin	9,190	8,730	460	5.0	9,290	8,880	410	4.4
Clallam	22,080	20,290	1,790	8.1	21,980	20,430	1,550	7.1
Columbia	1,570	1,310	260	16.6	1,500	1,310	190	12.7
Cowlitz	35,790	33,070	2,720	7.6	35,610	33,220	2,390	6.7
Ferry	2,570	2,300	270	10.5	2,550	2,300	250	9.8
Garfield	1,030	990	40	3.9	1,010	980	30	3.0
Grant	22,950	20,630	2,320	10.1	24,300	22,530	1,770	7.3
Grays Harbor	23,720	21,370	2,350	9.9	23,350	21,230	2,120	9.1
Island	17,950	17,110	840	4.7	17,940	17,140	800	4.5
Jefferson	7,190	6,730	460	6.4	7,540	7,090	450	6.0
Kittitas	11,020	10,140	880	8.0	11,280	10,550	730	6.5
Klickitat	7,310	6,560	750	10.3	7,400	6,800	600	8.1
Lewis	25,250	23,140	2,110	8.4	24,800	22,960	1,840	7.4
Lincoln	4,120	3,880	240	5.8	4,110	3,920	190	4.6
Mason	11,480	10,650	830	7.2	11,480	10,670	810	7.1
Okanogan	15,120	13,410	1,710	11.3	19,110	17,620	1,490	7.8
Pacific	6,150	5,420	730	11.9	5,930	5,430	500	8.4
Pend Oreille	3,270	2,910	360	11.0	3,220	2,870	350	10.9
San Juan	4,810	4,550	260	5.4	4,890	4,700	190	3.9
Skagit	31,910	29,160	2,750	8.6	32,110	29,700	2,410	7.5
Skamania	2,300	1,970	330	14.3	2,230	1,970	260	11.7
Stevens	11,130	10,160	970	8.7	11,030	10,190	840	7.6
Wahkiakum	1,080	990	90	8.3	1,100	1,020	80	7.3
Walla Walla	22,960	21,360	1,600	7.0	22,880	21,680	1,200	5.2
Wenatchee Labor Area	39,320	36,070	3,250	8.3	45,030	42,230	2,800	6.2
Chelan County 2/	26,690	24,410	2,280	8.5	30,630	28,570	2,060	6.7
Douglas County 2/	12,620	11,660	960	7.6	14,400	13,650	750	5.2
Whitman	19,610	18,850	760	3.9	18,940	18,530	410	2.2

1/ Official U.S. Department of Labor, Bureau of Labor Statistics data. Data are not comparable with estimates made in previous years.

2/ Estimates are determined by using the Population/Claims Share disaggregation methodology.

Note: Detail may not add due to rounding.

ESTIMATED AVERAGE HOURS AND EARNINGS OF PRODUCTION WORKERS IN MANUFACTURING AND OF NONSUPERVISORY WORKERS IN NONMANUFACTURING ACTIVITIES, STATE OF WASHINGTON

	Prelim Nov Production Workers/ Nonsupervisory Workers	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
		Nov-88	Oct-88	Nov-87	Nov-88	Oct-88	Nov-87	Nov-88	Oct-88	Nov-87
TOTAL MANUFACTURING INDUSTRIES$	207,096	$488.38	$483.07	$480.00	40.8	40.8	40.1	$11.97	$11.84	$11.97
SELECTED MANUFACTURING INDUSTRIES										
Lumber and Wood Products	34,661	$436.69	$463.42	$431.12	40.1	41.6	38.7	$10.89	$11.14	$11.14
Primary Metal Industries	10,270	$540.14	$529.20	$560.35	42.8	41.9	44.9	$12.62	$12.63	$12.48
Fabricated Metal Products	8,857	$447.35	$439.70	$436.70	38.9	39.4	39.7	$11.50	$11.16	$11.00
Machinery	20,097	$384.61	$381.90	$375.71	40.4	40.2	39.8	$9.52	$9.50	$9.44
Food and Kindred Products	25,074	$347.63	$362.62	$344.51	37.1	38.7	35.7	$9.37	$9.37	$9.65
Chemical and Allied Products	4,082	$589.99	$589.99	$590.83	41.0	41.0	39.6	$14.39	$14.39	$14.92
Transportation Equipment	53,920	$638.67	$602.97	$624.52	44.6	43.1	43.1	$14.32	$13.99	$14.49
SELECTED NONMANUFACTURING INDUSTRIES										
Construction	76,576	$569.94	$613.73	$569.02	35.4	37.4	35.9	$16.10	$16.41	$15.85
Wholesale and Retail Trade (does not include eating and drinking establishments)	303,241	$314.25	$321.09	$320.88	32.7	33.0	33.6	$9.61	$9.73	$9.55

$ Average hourly earnings for all manufacturing production workers reported in this table do not exactly reflect the official US Bureau of Labor Statistics definition of "wages." While these data still constitute a valid economic indicator series, they should not be used at this time for the negotiation of contracts whose monetary provisions may depend upon official US Bureau of Labor Statistics hourly earning data.

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Washington
LABOR MARKET

JOB SERVICE

Washington State
Employment Security

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Commissioner

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Director

In cooperation with the
Employment and Training
Administration
U.S. Department of Labor

January 1989

Highlights

**New Methodology For
Labor Force Estimates--Page 9. **

Over 90,000 New Jobs In 1988

Preliminary annual average data for 1988 show total employment in the state up 92,700, or 4.5 percent, from 1987. Besides reducing unemployment, the expansion provided jobs for new entrants to the labor force as well as to individuals who had previously dropped out of the job market. In addition, news of the strong growth in the state's economy attracted many jobless workers from other states. Nonetheless, the number of unemployed workers in the state dropped 18,200 from 1987, and the annual average unemployment rate in 1988 of 6.6 percent was the lowest since 1969.

Employment Down Seasonally

Despite the exceptionally strong economy in 1988, seasonal influences were negative in December with the onset of winter. Total employment in the state fell 11,100 from

Volume 13, Number 1

	Dec. 1988* (Prel.)	Nov. 1988* (Rev.)	Dec. 1987
Civilian Labor Force	2,331,500	2,338,300	2,286,000
Total Employment	2,187,500	2,198,600	2,104,900
Total Unemployment	144,000	139,700	181,100
State Unemployment Rate	6.2	6.0	7.9
National Civilian Unemployment Rate	5.0	5.2	5.4

*These data represent alternative estimates of labor force conditions developed by the State Employment Security Department. They are more comparable with data released in previous years than are the official Bureau of Labor Statistics estimates developed for federal program purposes. (Data in this table are not seasonally adjusted.)

INDUSTRY DEVELOPMENTS

Holiday Jobs Ease Downturn

November, and unemployment increased from 139,700 and 6.0 percent of the labor force to 144,000 and 6.2 percent. The decline in employment between November and December, however, was less than seasonally expected, and as a result the jobless rate rose less than it would normally. After seasonal adjustment, total employment increased 4,500 over the month, and the unemployment rate dipped from 6.0 to 5.9 per cent.

The loss in nonagricultural wage and salary employment between November and December was limited to 3,000 as seasonal losses in construction, lumber, food processing and education were partially offset by the hiring of temporary holiday workers at retail stores. Further gains in aerospace and health services and hiring at ski resorts also helped offset winter job losses.

Retail Trade Adds 5,200

November, rose 5,200 in December. Department and apparel stores and other outlets selling gift items added thousands of temporary holiday workers as usual. Relatively small seasonal reductions occurred at restaurants because of less tourist business and at hardware, building material outlets because of deteriorating weather conditions. In January, however, employment in retail trade will be several thousand lower with the end of the holiday season and other cutbacks.

Health Services and in Ski Resorts Add Workers

Changes in the service industries were mixed December, but overall employment rose 900 thanks to large expansions in health services and at ski resorts. Movie theaters also added staff in December as did beauty and tanning salons. Agricultural services continued its seasonal decline and private education payrolls fell temporarily because of the holiday vacation period.

Construction and Government Employment Down

Construction employment fell 4,100 in December and will undoubtedly fall further in January as winter weather In addition, few new projects are started at this time of the year to offset project completions. Nonetheless, employment in the building trades was exceptionally high for December, reflecting overall growth in the state's economy.

Manufacturing Employment Falls Seasonally

Manufacturing employment dropped 2,600 in December but all of the loss was seasonal. Food product payrolls fell 3,400 with freezing and canning of the 1988 fruit and vegetable crops complete. A partial shutdown of one large plant for upgrading added to the loss. Employment in lumber and wood products dipped 700: logging payrolls were down because of less favorable weather, while mills cut back because of a seasonal decline in the demand for lumber and plywood. The stone-clay-glass (down 200) and fabricated metals (down 300) industries also reported less activity because of lower demand from the construction industry.

Growth Continues In Aerospace

Partially offsetting seasonal losses, aerospace added 1,000 in December. Aerospace employment rose at an accelerating rate during 1988 as The Boeing Company attempted to keep up with an increasing order backlog. Monthly employment growth rose from 440 in the first half to 540 in the third quarter and then to an average of 1,400 workers per month in the fourth quarter. The cumulative gain for aerospace in 1988 totalled 8,200 workers.

Several other manufacturing industries posted small gains in December. Expansions in shipbuilding and boat building added 300 jobs in "other transportation equipment." Continued strength in the demand for paper boosted paper and allied products employment 300, while 200 additional jobs were credited to machinery.

Nonfarm Jobs up 90,800 Over the Year

Nonfarm employment continued to maintain a substantial gain from year-earlier levels with the total up 90,800, or 4.8 percent, over the year in December. Services, up 24,700 or 5.8 percent, and trade, up 24,500 or 5.2 percent, recorded the largest numerical increases but construction, up 11,900 or 13.7 percent, was credited with the largest relative increase. Both commercial and residential construction in the state have shown exceptional growth, paralleling the expansion in the economy. Manufacturing kept pace with the overall increase, adding 15,400 jobs for a gain of 4.8 percent year to year.

Private schools added staff in November as usual and health services continued to expand to cushion the loss in the services group. Employment at hospitals, though, remained relatively unchanged.

Aerospace, up 8,600, accounted for over half of the new jobs, but other manufacturing industries added 6,800 workers. Growing capital investment by manufactures modernizing their operations and strong export markets boosted employment in machinery 2,100 over the year. Aluminum employment rose 1,000 because of strong demand and the reopening of two smelters in late 1987. "Other transportation equipment" also added 1,000 workers in 1988: sales of trucks, trailers and pleasure boats increased during the year and shipyards posted a moderate recovery. Printing and publishing added 800 with growing demand because of the general expansion in the state's economy.

AREA TRENDS

Unemployment Lower In Central Puget Sound, Up in Rest of State

Although the overall unemployment rate for the state rose in December, rates in central Puget Sound metropolitan areas edged lower as temporary holiday jobs at retail stores largely offset seasonal cutbacks in construction and other industries.

In the Seattle Metropolitan Area the unemployment rate slipped from 4.6 to 4.5 percent between November and December, while Tacoma's rate dipped from 6.0 to 5.8 percent.

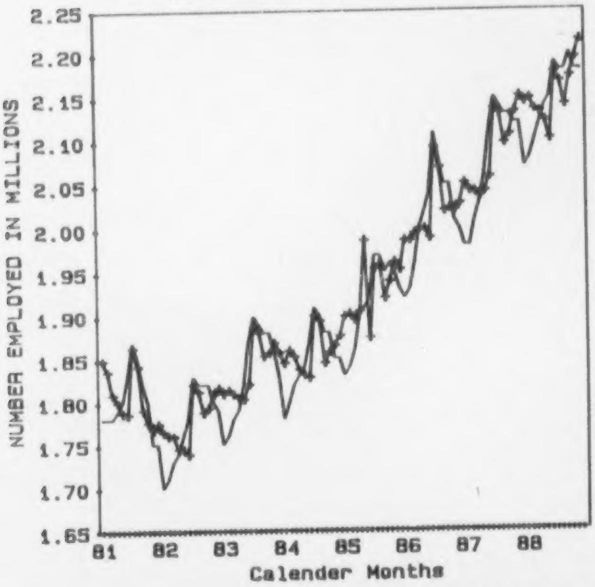
The Bremerton and Olympia metropolitan areas saw their rates slip one-tenth of a point to 5.1 and 6.2 percent, respectively.

In most other Western Washington areas unemployment rose, especially in counties highly dependent on the lumber industry where employment was declining. Rates, however, generally remained well below year-earlier levels. Typical of these areas was Lewis County where the jobless rate jumped from 8.3 percent in November to 9.4 percent in December; the December 1987 rate was 12.2 percent.

In contrast to Western Washington where the overall unemployment rate remained unchanged at 5.4 percent, the overall rate in Eastern Washington rose from 8.1 to 9.0 percent between November and December. Much of the job loss over the month occurred in agriculture and the related food processing industry which is more important east of the Cascades than on the west side of the state. In addition, winter weather conditions are more severe in Eastern Washington, resulting in relatively greater reductions in construction and other outdoor jobs. Despite the jump in unemployment in December, however, the jobless rate in Eastern Washington remained well below the 10.6 percent recorded in December 1987.

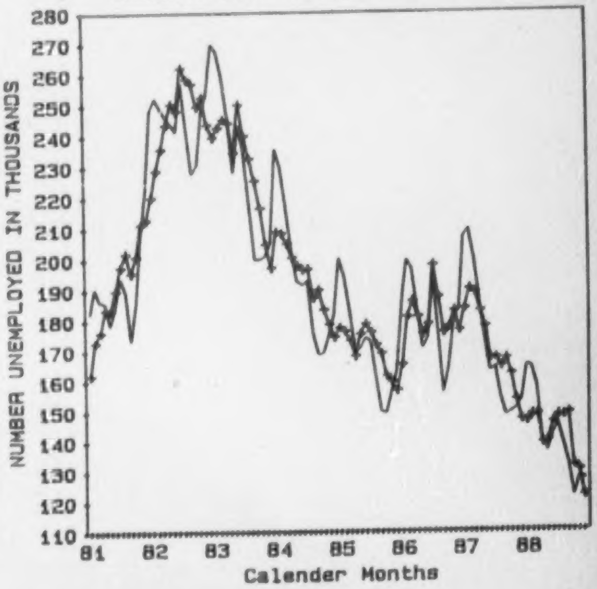
STATE TOTAL EMPLOYMENT

JANUARY 1981 Through DECEMBER 1988



STATE TOTAL UNEMPLOYMENT

JANUARY 1981 Through DECEMBER 1988



+ SEASONALLY ADJUSTED - NOT SEASONALLY ADJUSTED

INDUSTRY NOTES

Homebuilders See Decline in 1989

Higher mortgage rates are likely to reduce housing starts in 1989, according to a forecast by the National Association of Home Builders. Midyear mortgage rates are expected to range from 11 to 11.5 percent for 30 year fixed-rate loans, while first-year adjustable mortgage rates are expected to increase to about nine percent. Fixed rate loans already averaged nearly 11 percent in late January, and adjustable rate mortgages averaged 8.65 percent for the initial year. Housing starts in 1989 are expected to fall to 1,380,000 units, down 6.7 percent from 1,480,000 in 1988. Single-family starts are expected to drop 6.5 percent, while multi-family starts are forecast to fall 9.1 percent.

Demographics to Lower Demand for New Homes

The long-range outlook for the home building industry also points to a decline. Demand for new homes in the1990s is expected to fall because of a decline in household formations. With fewer Americans aged 25 to 34 in the 1990's, annual household formations are likely to fall 300,000 from the late 1980s to 1.17 million in the 1990s. Other factors expected to reduce the demand for housing include trends toward later marriages, fewer divorces, and living with parents longer.

Fewer housing starts will weaken demand in several other industries including the Northwest's lumber industry. The decline will also reduce purchases of furniture, appliances, and floor coverings. Real estate offices and mortgage bankers will see a slowdown in their business. Forecasts by the Bureau of Labor Statistics indicate that inflation adjusted investment in residential construction will increase 0.4 percent annually in the 1990s compared with 3.9 percent in the 1970s and 1.2 percent in the 1980s.

Boeing Sales and Earnings Up

Sales by The Boeing Company increased 10 percent from 1987 to total nearly $17 billion in 1988. And despite production problems, earnings rose 28 percent over the year. Boeing is projecting sales of $22 billion in 1989 as airliner production is stepped up to meet record demand. Boeing expects to deliver 401 commercial jets in 1989, up from 299 in 1988. The aerospace firm's contract backlog at the end of 1988 was $53.6 billion compared with $33.2 billion at the end of 1987. Commercial aircraft orders accounted for 87 percent of the 1988 backlog with U.S. government contracts accounting for the remainder.

Boeing Market Share Up

In 1988, Boeing boosted its share of world jetliner orders to 63 percent, from 51 percent in 1987 and a 30 year average of 56 percent. Boeing credited the increase to the firm's offering of a "family" of airplanes with common cockpit features, maintenance systems and other similarities which save airlines money.

Jetliner orders in 1988 totalled 1,011 with 636 going to Boeing. Airbus Industrie received orders for a 161 planes for a 16 percent market share, half of its 1987 share. McDonnell Douglas Corp. had orders for 214 planes representing a 21 percent share, up five percent from the previous year.

High-Tech Growing

Employment in high-technology, excluding Boeing, increased 14 percent in Washington State in 1988, according to the publishers of Advanced Technology in Washington 1989 Directory. Aerospace employment itself rose 8.6 percent. High-tech employment, less Boeing, was estimated at 86,000 with 1,140 firms in the field. Prospects for further growth are encouraging. A recent survey of Washington State high-tech companies by the publishers of the technology directory and the Seattle Times found that two-thirds of those responding expected to add employees in 1989. Only one percent anticipated cutbacks.

NATIONAL ECONOMIC INDICATORS

Drought Cuts GNP Growth

The Gross National Product (GNP), the value of the nation's output of goods and services, rose at a seasonally adjusted annual rate of 2.0 percent in the fourth quarter of 1988, down from 2.5 percent in the third quarter and the smallest increase in two years. Lat summer's drought, however, reduced farm production and cut GNP growth by 0.5 percentage points in the third quarter and 1.1 points in the fourth quarter. Corrected for the effect of the drought, the GNP increased 3.0 percent in the third quarter and 3.1 percent in the fourth quarter.

Unfortunately the economy cannot continue to expand at its current pace without pushing up the rate of inflation. As a result, the Federal Reserve is likely to keep upward pressure on interest rates in order to moderate the expansion. The danger is, of course, that interest rates will be pushed too high and a recession will result.

Leading Indicators Up In December

The Index of Leading Economic Indicators, the government's main gauge of future economic activity, rose 0.6 percent in December to post its largest gain in five months. Nonetheless, many analysts believe the trend of the index suggests slower growth ahead because of its zig-zag pattern: the index has changed directions for eight consecutive months.

Six of the nine leading indicators which were available for December posted gains: orders for consumer goods, plant and equipment orders, building permits, sensitive material prices, stock market prices and the money supply. two leading indicators were negative in December: the average workweek of factory production workers which declined and initial claims for unemployment compensation which increased. The business delivery index was unchanged in December. Data on inventories and credit outstanding were not available for the preliminary December estimate of the index.

CONSUMER PRICE INDEX
(All Items, Urban Consumers, 1982-1984=100)**

	INDEXES			PERCENT CHANGE Year Ending	
	Dec. 1988	Nov. 1988	Dec. 1987	Dec. 1988	Nov. 1988
U.S. City Average	120.3	120.2	115.4	4.4	3.4

	Jan.-June 1988	Jan.-June 1987	Jan.-June '87 to Jan.-June '88
Seattle*	111.9	108.2	3.4

* The index for Seattle reflects prices in King, Pierce and Snohomish counties.
** The base period for the index has been changed from 1967=100 to 1982-1984=100. The conversion factors for the All Items, Urban Consumers Indexes on the 1967=100 base are U.S=0.3338279, Seattle=0.3280421.

Source: U.S. Department of Labor, Bureau of Labor Statistics

New Methodology for Estimating Statewide Employment and Unemployment

Beginning with the estimates for January 1989, a new methodology incorporating advanced statistical techniques will be used to produce estimates of total employment and unemployment for Washington State and most other states. The method for estimating employment and unemployment for substate areas will remain basically unchanged, with local areas adjusted to state totals.

Substantial changes from previous statewide estimates are not expected, but the new methodology will result in estimates that more accurately measure seasonal changes in the economy. In addition, the estimating procedures will automatically adjust to account for structural changes in the economy such as the declining number of teenagers in the population. The change, however, will not affect the concept of who is considered employed or unemployed.

The new methodology was developed by the Bureau of Labor Statistics (BLS), U.S. Department of Labor, and research staff from the individual states. The use of a mathematically based model, which incorporates advanced statistical techniques, was made possible, in part, by the availability of microcomputers to handle the increase in computations required by the new methodology.

Monthly labor force estimates for the nation and the 11 largest states (direct use states) will continue to be developed from the Current Population Survey (CPS), a nationwide monthly household survey. The CPS sample in Washington State and most other states is adequate to provide annual averages, but it is not large enough to produce reliable monthly estimates.

The estimating procedure used to prepare monthly estimates for non-direct use states in the past was a "building-block" approach. The unemployment estimates started with a count of unemployment compensation claimants without earnings to which estimates for exhaustees of benefits were added along with estimates for other unemployed workers not eligible or receiving benefits such as disqualified claimants, workers without sufficient wage credits, workers from noncovered industries, etc. Estimates of total employment began with estimates of wage and salary workers from the monthly survey of employers, adjusted for multiple jobs holding, to which estimates for self-employed, domestics, unpaid family, and agricultural workers were added. To account for differences in unemployment insurance eligibility between states and to ensure that both unemployment and employment estimates were comparable between states, the monthly estimates were adjusted to a six-month moving average of the CPS estimates for each non-direct use state. Unfortunately, the six-month moving average adjustment distorted seasonal trends, which is why Washington State has been producing an alternate set of estimates by using a 12-month moving average of CPS data for the adjustment. The CPS is used as an input in the new mathematically based estimates, but since a moving average of the data is not used, only one estimate of employment and unemployment will be produced beginning with the January 1989 estimates.

Monthly estimates for Washington State using the new methodology will be revised back through 1976. Annual averages, however, will not be affected since they will continue to be based on the CPS for the state. Estimates for individual labor market areas, counties and cities will continue to be developed using the "building-block" method. Estimates for substate areas will be affected only to the extent that the area estimates will be adjusted so that they add to the statewide estimates. BLS, however, is continuing research on new methodologies for producing more accurate labor force estimates for local areas.

Technical information on the new methodology for estimating statewide total employment and unemployment is available from the Labor Market and Economic Analysis Branch on request.

NONAGRICULTURAL WAGE & SALARY WORKERS IN WASHINGTON STATE, PLACE OF WORK 1/

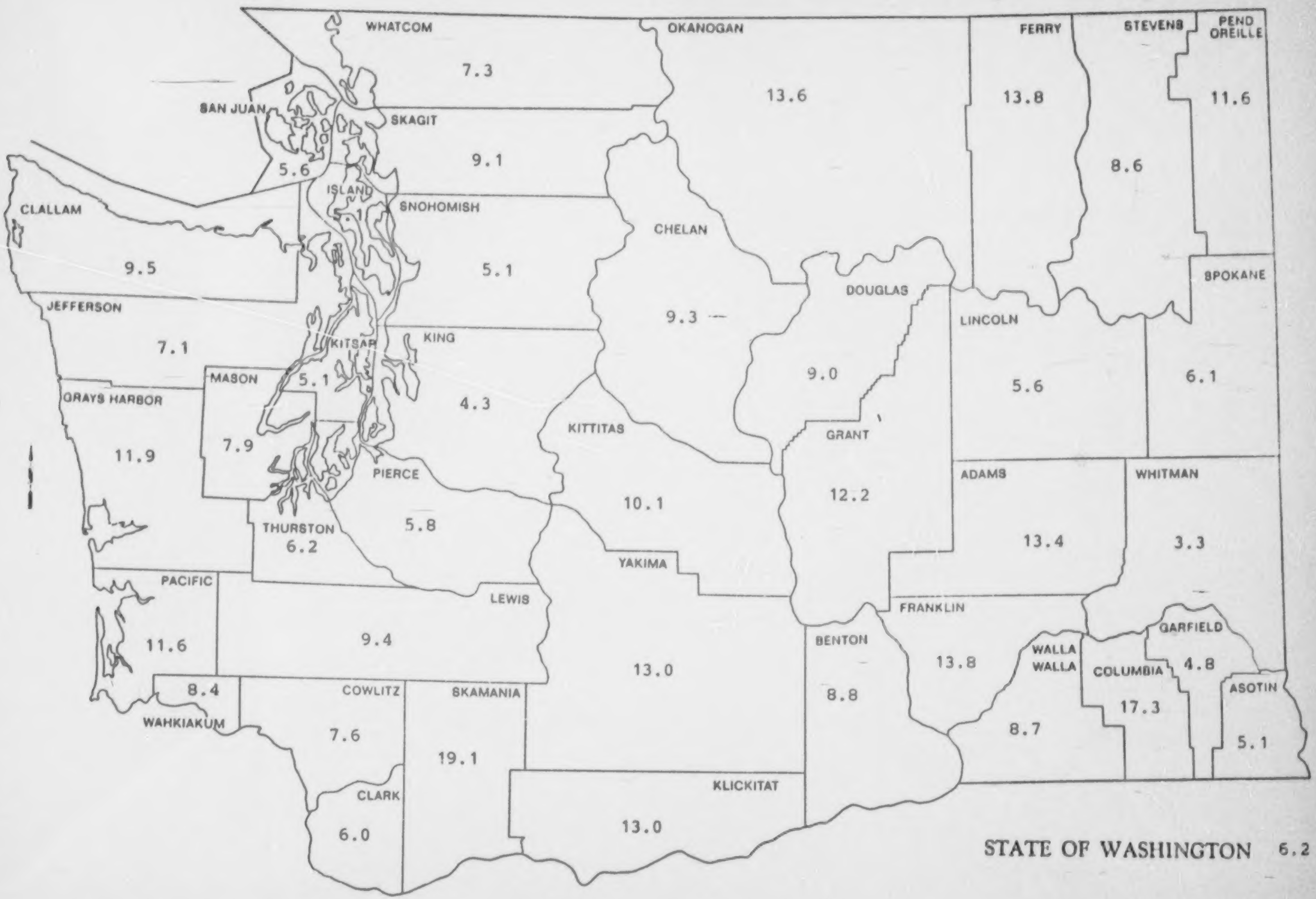
(In Thousands)

NOT SEASONALLY ADJUSTED Industry	December 1988 (PREL.)	November 1988 (REV.)	December 1987 (REV.)	November 1987 (REV.)	Numerical Change Nov. 1988 to Dec. 1988	 Dec. 1987 to Dec. 1988
TOTAL NONAG. WAGE AND SALARY	1,971.2	1,974.2	1,880.4	1,883.0	-3.0	90.8
MANUFACTURING	338.7	341.3	323.3	325.6	-2.6	15.4
Durable Goods	244.4	243.9	229.6	230.2	0.5	14.8
Lumber and Wood Products	40.5	41.2	40.0	40.7	-0.7	0.5
Furniture and Fixtures	3.8	3.9	3.8	3.9	-0.1	0.0
Stone, Clay and Glass	6.5	6.7	6.4	6.6	-0.2	0.1
Primary Metals	12.9	12.8	11.7	11.6	0.1	1.2
Aluminum	8.9	8.9	7.9	7.9	0.0	1.0
Fabricated Metals	10.9	11.2	10.6	10.8	-0.3	0.3
Machinery	32.3	32.1	30.2	30.2	0.2	2.1
Machinery (Except Electrical)	18.1	18.0	17.1	16.9	0.1	1.0
Electrical Equipment	14.2	14.1	13.1	13.3	0.1	1.1
Transportation Equipment	120.8	119.5	111.2	110.8	1.3	9.6
Aerospace	106.1	105.1	97.5	97.1	1.0	8.6
Other Transp. Equipment	14.7	14.4	13.7	13.7	0.3	1.0
Instruments and Related	11.2	11.1	10.8	10.7	0.1	0.4
Misc. Manufacturing	5.5	5.4	4.9	4.9	0.1	0.6
Nondurable Goods	94.3	97.4	93.7	95.4	-3.1	0.6
Food and Kindred Products	30.9	34.3	30.6	32.5	-3.4	0.3
Canned and Preserved Foods	9.6	13.1	9.9	11.6	-3.5	-0.3
Apparel and Allied Products	6.1	6.2	6.1	6.0	-0.1	0.0
Paper and Allied Products	16.8	16.5	16.5	16.4	0.3	0.3
Printing and Publishing	21.5	21.5	20.7	20.6	0.0	0.8
Chemicals and Allied Products	10.0	9.9	11.2	11.2	0.1	-1.2
Other Nondurable Goods 2/	9.0	9.0	8.6	8.7	0.0	0.4
MINING and QUARRYING	3.4	3.4	3.1	3.1	0.0	0.3
CONSTRUCTION	98.6	102.7	86.7	90.5	-4.1	11.9
TRANSP.,COMM. and UTIL	105.6	105.8	100.4	99.9	-0.2	5.2
WHOLESALE and RETAIL TRADE	494.0	488.6	469.5	465.3	5.4	24.5
Wholesale Trade	118.0	117.8	110.6	113.0	0.2	7.4
Retail Trade	376.0	370.8	358.9	352.3	5.2	17.1
FIN. INS. and REAL ESTATE	110.1	109.3	107.2	106.8	0.8	2.9
SERVICES	454.2	453.3	429.5	429.2	0.9	24.7
Health Services	137.8	136.9	133.2	132.3	0.9	4.6
GOVERNMENT	366.6	369.8	360.7	362.6	-3.2	5.9
Federal	68.6	68.6	70.1	70.2	0.0	-1.5
State and Local	298.0	301.2	290.6	292.4	-3.2	7.4
Education	159.3	161.7	156.4	157.5	-2.4	2.9
WORKERS IN LABOR-MANAGEMENT DISPUTES	0.0	0.0	0.0	0.0	0.0	0.0

1 / Excludes proprietors, self-employed, members of armed forces, and private household. employees. Includes all full- and part-time wage and salary workers receiving pay during the pay period including the 12th of the month.

2 / Includes textile mill products, rubber and miscellaneous plastic products, petroleum. refining and related products, and leather products.

3 / Workers excluded because of involvement in labor-management disputes.


WHATCOM
7.3
OKANOGAN
13.6
FERRY
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STEVENS
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PEND OREILLE
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SAN JUAN
5.6
SKAGIT
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ISLAND
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SNOHOMISH
5.1
CLALLAM
9.5
CHELAN
9.3
DOUGLAS
9.0
SPOKANE
6.1
JEFFERSON
7.1
KITSAP
5.1
KING
4.3
LINCOLN
5.6
MASON
7.9
GRAYS HARBOR
11.9
KITTITAS
10.1
GRANT
12.2
PIERCE
5.8
ADAMS
13.4
WHITMAN
3.3
THURSTON
6.2
YAKIMA
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PACIFIC
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LEWIS
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BENTON
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WALLA WALLA
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COLUMBIA
17.3
ASOTIN
5.1
WAHKIAKUM
8.4
COWLITZ
7.6
SKAMANIA
19.1
CLARK
6.0
KLICKITAT
13.0

STATE OF WASHINGTON 6.2

Washington State
Employment Security Department
Labor Market and Economic Analysis Branch

RESIDENT LABOR FORCE AND EMPLOYMENT IN WASHINGTON STATE AND LABOR MARKET AREAS

DATE 1/31/89
Benchmark: 1987

(Not Seasonally Adjusted)

	DECEMBER 1988 PRELIMINARY 1/				NOVEMBER 1988 REVISED 1/				DECEMBER 1987 REVISED			
	Labor Force	Employment	Unemployment	Unemp. Rate	Labor Force	Employment	Unemployment	Unemp. Rate	Labor Force	Employment	Unemployment	Unemp. Rate
Washington State total	2,331,500	2,187,500	144,000	6.2	2,338,300	2,198,600	139,700	6.0	2,286,000	2,104,900	181,100	7.9
Bellingham MSA	60,400	56,000	4,400	7.3	61,400	57,400	4,000	6.5	59,100	53,500	5,600	9.5
Bremerton MSA	72,700	69,000	3,700	5.1	73,200	69,400	3,800	5.2	74,500	69,600	4,900	6.6
Olympia MSA	75,300	70,600	4,700	6.2	76,100	71,300	4,800	6.3	75,400	69,700	5,700	7.6
Seattle PMSA	1,066,900	1,019,200	47,700	4.5	1,063,100	1,014,000	49,100	4.6	1,029,900	967,600	62,300	6.0
King County 2/	846,500	810,100	36,400	4.3	843,900	806,000	37,900	4.5	816,400	769,100	47,300	5.8
Snohomish County 2/	220,400	209,100	11,300	5.1	219,200	208,000	11,200	5.1	213,500	198,500	15,000	7.0
Spokane MSA	172,100	161,600	10,500	6.1	172,300	162,200	10,100	5.9	168,500	155,600	12,900	7.7
Tacoma PMSA	249,700	235,100	14,600	5.8	251,800	236,700	15,100	6.0	245,400	225,700	19,700	8.0
Tri-Cities MSA	63,100	56,700	6,400	10.1	64,000	58,100	5,900	9.2	66,700	59,300	7,400	11.1
Benton County 2/	47,800	43,600	4,200	8.8	48,700	44,700	4,000	8.2	50,800	45,600	5,200	10.2
Franklin County 2/	15,200	13,100	2,100	13.8	15,400	13,400	2,000	13.0	15,800	13,700	2,100	13.3
Vancouver PMSA	114,500	107,600	6,900	6.0	115,200	108,800	6,400	5.6	110,600	102,300	8,300	7.5
Yakima MSA	86,800	75,500	11,300	13.0	87,800	77,700	10,100	11.5	86,300	73,400	12,900	14.9
Adams	6,510	5,640	870	13.4	6,520	5,780	740	11.3	6,260	5,300	960	15.3
Asotin	9,460	8,980	480	5.1	9,330	8,870	460	4.9	8,310	7,660	650	7.8
Clallam	22,160	20,050	2,110	9.5	22,450	20,630	1,820	8.1	22,700	20,280	2,420	10.7
Columbia	1,680	1,390	290	17.3	1,610	1,340	270	16.8	1,800	1,340	460	25.6
Cowlitz	35,810	33,080	2,730	7.6	36,110	33,390	2,720	7.5	35,210	31,740	3,470	9.9
Ferry	2,830	2,440	390	13.8	2,800	2,460	340	12.1	2,580	2,260	320	12.4
Garfield	1,040	990	50	4.8	1,020	990	30	2.9	1,020	920	100	9.8
Grant	22,870	20,070	2,800	12.2	23,390	20,970	2,420	10.3	22,950	19,750	3,200	13.9
Grays Harbor	24,100	21,230	2,870	11.9	24,100	21,730	2,370	9.8	25,580	22,110	3,470	13.6
Island	18,360	17,420	940	5.1	18,380	17,470	910	5.0	18,830	17,450	1,380	7.3
Jefferson	7,310	6,790	520	7.1	7,470	6,990	480	6.4	7,470	6,750	720	9.6
Kittitas	10,830	9,740	1,090	10.1	11,210	10,310	900	8.0	11,180	9,800	1,380	12.3
Klickitat	7,170	6,240	930	13.0	7,420	6,670	750	10.1	7,270	6,150	1,120	15.4
Lewis	25,620	23,200	2,420	9.4	25,650	23,520	2,130	8.3	24,430	21,440	2,990	12.2
Lincoln	4,270	4,030	240	5.6	4,280	4,040	240	5.6	4,020	3,680	340	8.5
Mason	11,460	10,550	910	7.9	11,660	10,820	840	7.2	12,980	11,770	1,210	9.3
Okanogan	14,830	12,820	2,010	13.6	15,360	13,630	1,730	11.3	14,430	12,340	2,090	14.5
Pacific	6,110	5,400	710	11.6	6,230	5,510	720	11.6	6,250	5,520	730	11.7
Pend Oreille	3,350	2,960	390	11.6	3,350	2,980	370	11.0	3,020	2,500	520	17.2
San Juan	4,630	4,370	260	5.8	4,890	4,630	260	5.3	4,820	4,470	350	7.3
Skagit	31,960	29,040	2,920	9.1	32,420	29,680	2,740	8.5	32,400	28,150	4,250	13.1
Skamania	2,300	1,860	440	19.1	2,350	2,000	350	14.9	2,250	1,690	560	24.9
Stevens	11,460	10,480	980	8.6	11,450	10,510	940	8.2	11,450	10,150	1,300	11.4
Wahkiakum	1,070	980	90	8.4	1,100	1,010	90	8.2	1,090	970	120	11.0
Walla Walla	23,300	21,270	2,030	8.7	23,340	21,710	1,630	7.0	23,480	20,890	2,590	11.0
Wenatchee Labor Area	40,510	36,770	3,740	9.2	39,980	36,670	3,310	8.3	39,450	35,450	4,000	10.1
Chelan County 2/	27,440	24,880	2,560	9.3	27,080	24,820	2,260	8.3	26,820	23,990	2,830	10.6
Douglas County 2/	13,070	11,890	1,180	9.0	12,920	11,860	1,060	8.2	12,640	11,460	1,180	9.3
Whitman	18,980	18,360	620	3.3	19,580	18,820	760	3.9	18,370	17,690	680	3.7

1/ Estimates provided here are for use as an economic time-series. Official Bureau of Labor Statistics estimates, which must be used for Federal program purposes, are available upon request.

2/ Estimates are determined by using the Population/Claims Share disaggregation methodology.

Note: Detail may not add due to rounding.

Washington State
Employment Security Department
Labor Market and Economic Analysis Branch

WASHINGTON STATE LABOR FORCE AND EMPLOYMENT ESTIMATES FOR FEDERAL PROGRAM PURPOSES

(Not Seasonally Adjusted)

January 31, 1989
Benchmark: 1987

	DECEMBER 1988 PRELIMINARY 1/				NOVEMBER 1988 REVISED 1/			
	Labor Force	Employment	Unemployment	Unemp. Rate	Labor Force	Employment	Unemployment	Unemp. Rate
Washington State total	2,311,200	2,173,500	137,700	6.0	2,300,300	2,162,200	138,100	6.0
Bellingham MSA	59,800	55,600	4,200	7.0	60,300	56,400	3,900	6.5
Bremerton MSA	72,200	68,600	3,600	5.0	71,900	68,200	3,700	5.1
Olympia MSA	74,700	70,200	4,500	6.0	74,800	70,100	4,700	6.3
Seattle PMSA	1,058,300	1,012,700	45,600	4.3	1,045,800	997,200	48,600	4.6
King County 2/	839,700	804,900	34,800	4.1	830,200	792,700	37,500	4.5
Snohomish County 2/	218,600	207,800	10,800	4.9	215,600	204,600	11,000	5.1
Spokane MSA	170,600	160,500	10,100	5.9	169,500	159,500	10,000	5.9
Tacoma PMSA	247,600	233,600	14,000	5.7	247,700	232,800	14,900	6.0
Tri-Cities MSA	62,400	56,300	6,100	9.8	63,000	57,100	5,900	9.4
Benton County 2/	47,400	43,300	4,100	8.6	47,800	43,900	3,900	8.2
Franklin County 2/	15,000	13,000	2,000	13.3	15,100	13,200	1,900	12.6
Vancouver PMSA	113,600	107,000	6,600	5.8	113,400	107,000	6,400	5.6
Yakima MSA	85,800	75,000	10,800	12.6	86,400	76,400	10,000	11.6
Adams	6,440	5,610	830	12.9	6,410	5,680	730	11.4
Asotin	9,390	8,930	460	4.9	9,180	8,720	460	5.0
Clallam	21,930	19,920	2,010	9.2	22,090	20,290	1,800	8.1
Columbia	1,660	1,380	280	16.9	1,580	1,320	260	16.5
Cowlitz	35,480	32,870	2,610	7.4	35,530	32,840	2,690	7.6
Ferry	2,800	2,420	380	13.6	2,750	2,420	330	12.0
Garfield	1,040	990	50	4.8	1,000	970	30	3.0
Grant	22,610	19,940	2,670	11.8	23,010	20,620	2,390	10.4
Grays Harbor	23,840	21,090	2,750	11.5	23,710	21,370	2,340	9.9
Island	18,210	17,310	900	4.9	18,080	17,180	900	5.0
Jefferson	7,250	6,750	500	6.9	7,340	6,870	470	6.4
Kittitas	10,720	9,680	1,040	9.7	11,030	10,140	890	8.1
Klickitat	7,090	6,200	890	12.6	7,300	6,560	740	10.1
Lewis	25,360	23,050	2,310	9.1	25,240	23,130	2,110	8.4
Lincoln	4,240	4,010	230	5.4	4,210	3,980	230	5.5
Mason	11,350	10,480	870	7.7	11,470	10,640	830	7.2
Okanogan	14,660	12,740	1,920	13.1	15,120	13,400	1,720	11.4
Pacific	6,050	5,370	680	11.2	6,130	5,420	710	11.6
Pend Oreille	3,310	2,940	370	11.2	3,290	2,930	360	10.9
San Juan	4,600	4,350	250	5.4	4,810	4,550	260	5.4
Skagit	31,650	28,860	2,790	8.8	31,900	29,190	2,710	8.5
Skamania	2,270	1,850	420	18.5	2,310	1,970	340	14.7
Stevens	11,360	10,420	940	8.3	11,270	10,340	930	8.3
Wahkiakum	1,060	970	90	8.5	1,080	990	90	8.3
Walla Walla	23,070	21,130	1,940	8.4	22,960	21,350	1,610	7.0
Wenatchee Labor Area	40,100	36,530	3,570	8.9	39,340	36,060	3,280	8.3
Chelan County 2/	27,170	24,720	2,450	9.0	26,630	24,400	2,230	8.4
Douglas County 2/	12,940	11,810	1,130	8.7	12,700	11,660	1,040	8.2
Whitman	18,840	18,250	590	3.1	19,260	18,510	750	3.9

1/ Official U.S. Department of Labor, Bureau of Labor Statistics data. Data are not comparable with estimates made in previous years.

2/ Estimates are determined by using the Population/Claims Share disaggregation methodology.

Note: Detail may not add due to rounding.

ESTIMATED AVERAGE HOURS AND EARNINGS OF PRODUCTION WORKERS IN MANUFACTURING AND OF NONSUPERVISORY WORKERS IN NONMANUFACTURING ACTIVITIES, STATE OF WASHINGTON

	Prelim Jan Production Workers/ Nonsupervisory Workers	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
		Jan-89	Dec-88	Jan-88	Jan-89	Dec-88	Jan-88	Jan-89	Dec-88	Jan-88
TOTAL MANUFACTURING INDUSTRIES*	203,519	$495.24	$503.89	$481.60	40.1	41.0	40.1	$12.35	$12.29	$12.01
SELECTED MANUFACTURING INDUSTRIES										
Lumber and Wood Products	34,330	$446.35	$444.77	$433.40	39.5	39.5	39.4	$11.30	$11.26	$11.00
Primary Metal Industries	10,048	$538.46	$546.05	$594.11	42.1	43.2	39.9	$12.79	$12.64	$14.89
Fabricated Metal Products	8,654	$471.62	$468.99	$421.85	39.9	40.5	37.8	$11.82	$11.58	$11.16
Machinery	21,692	$378.50	$378.82	$366.80	38.9	40.3	40.0	$9.73	$9.40	$9.17
Food and Kindred Products	22,495	$360.51	$353.79	$347.76	35.8	36.7	36.0	$10.07	$9.64	$9.66
Chemical and Allied Products	4,085	$635.90	$684.54	$611.96	36.8	39.5	40.5	$17.28	$17.33	$15.11
Transportation Equipment	56,313	$631.03	$655.09	$618.02	43.7	44.9	43.8	$14.44	$14.59	$14.11
SELECTED NONMANUFACTURING INDUSTRIES										
Construction	63,038	$588.97	$592.59	$572.96	36.2	36.4	35.9	$16.27	$16.28	$15.96
Wholesale and Retail Trade (does not include eating and drinking establishments)	296,872	$314.93	$309.59	$293.58	32.4	32.9	31.1	$9.72	$9.41	$9.44

* Average hourly earnings for all manufacturing production workers reported in this table do not exactly reflect the official US Bureau of Labor Statistics definition of "wages." While these data still constitute a valid economic indicator series, they should not be used at this time for the negotiation of contracts whose monetary provisions may depend upon official US Bureau of Labor Statistics hourly earning data.

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Washington LABOR MARKET

JOB SERVICE

Washington State
Employment Security

Isiah Turner
Commissioner

Prepared by the
Labor Market And
Economic Analysis Branch
(206) 438-4800

Gary Bodeutsch
Director

In cooperation with the
Employment and Training
Administration
U.S. Department of Labor

February 1989

** Revised Labor Force Tables **

-- Pages 16-18 --

Highlights

Seasonal Layoffs Boost Unemployment

The new year began as usual; unemployment increased sharply in January because of the effect of deteriorating weather conditions on outdoor employment and the termination of thousands of holiday sales workers. Unemployment in Washington State jumped from 126,500 and 5.5 percent of the labor force in December to 159,700 and 6.8 percent in January. Nonetheless, the jobless rate this January was well below the 7.3 percent recorded in January 1988 and was the lowest January level since 1969.

Total employment fell 16,700 between December and January but was up 96,200, or 4.6 percent over the year. The loss from December was cushioned by an increase in agriculture where several thousand workers were employed pruning fruit trees. Weather conditions deteriorated further with snow and subfreezing temperatures in February, however, and farm employment declined counter to normal seasonal trends.

Volume 13, Number 2

	Jan. 1989 (Prel.)	Dec. 1988 (Rev.)	Jan. 1988
Civilian Labor Force	2,331,400	2,314,900	2,240,100
Total Employment	2,171,700	2,188,400	2,075,500
Total Unemployment	159,700	126,500	164,600
State Unemployment Rate	6.8	5.5	7.3
National Civilian Unemployment Rate	6.0	5.0	6.3

Data in this table are not seasonally adjusted.

INDUSTRY DEVELOPMENTS

Thousands of Holiday Jobs End

Nonagricultural wage and salary employment fell 29,100 in January with nearly one half of the loss in retail trade. The number of workers employed in retail trade fell 14,200 from December as thousands of temporary holiday jobs ended after Christmas. Most of the drop was at stores selling gifts, but restaurants, food stores, gasoline stations and building material stores also cut employment. Holiday functions helped maintain restaurant employment in December, while special holiday meals and parties boosted food store payrolls. Gasoline stations saw business fall off in January with the end of holiday travel and deteriorating weather conditions. Winter weather also caused business to decline at hardware stores and lumber yards. And despite the sharp January drop, past seasonal trends indicate retail employment will fall an additional 2,000 to 3,000 in February because of the end of post-holiday sales and inventory work. In March, however, employment opportunities in retail trade will expand with the approach of spring.

Wholesale trade employment also declined seasonally in January. About half of the 2,200 loss occurred at wholesale fruit and vegetable dealers where activity normally slows in the winter months as no local produce is being harvested. Other wholesalers also reduced staffing with much of the economy marking time until spring.

Outdoor Construction At Winter Levels

Construction employment fell 5,400 as work on freeways and other outdoor projects was at a near standstill as usual in January. February is likely to show little if any improvement because of even less favorable weather for outdoor work. The return of more moderate weather in March will see employment in the building trades expand once more. Rising interest rates, however, are expected to reduce housing starts from their year-earlier levels.

Higher household income may offset some of the adverse effect of higher mortgage rates. The Western Wood Products Association expects the number of single family units built in the nation during 1989 to "come close to the 1988 level of 1,081,000 units." A modest increase in multi-family unit construction is expected because high vacancy rates of the past few years appear to be disappearing.

Home building in Washington State should continue to be stronger than in the nation, especially in the Puget Sound area because of exceptionally strong employment and population growth.

Ski Resorts Offset Some Losses In Services

Employment in the service industries fell 3,500 in January because of numerous seasonal losses. Agricultural services was lower as usual, while hotels cut back with holiday functions over. Temporary help agencies had fewer workers as demand for holiday help waned, and public education fell temporarily with some schools between terms. Partially offsetting those losses was a strong seasonal increase at ski resorts which enjoyed ideal snow conditions this year. Accounting firms also expanded with income tax business picking up.

Government Jobs Down

Public civilian payrolls fell 1,400 in January; about half of the loss was in education where some schools were between terms. Following past seasonal trends, however, public education should advance about 3,000 in February as schools begin the second half of the school year. Other public sector job losses in January included postal employment - which fell as workloads returned to normal after Christmas - and miscellaneous outdoor jobs. The beginning of a new legislative session in Olympia offset some of the losses.

Manufacturing Down But Aerospace Still Climbing

Manufacturing employment - down 1,100 - also fell seasonally in January. Food products and lumber each dropped 600, while employment in the volatile shipbuilding industry was down 500. The reduction in lumber was less than seasonally expected because of relatively mild January weather and strong export demand. Food products employment declined because no new crops were available for processing and the end of holiday demand for speciality foods, mixers, etc.

Continued growth in aerospace, up 1,100, eased the overall downward trend in manufacturing. How long the industry will continue to expand is uncertain, but Boeing's huge backlog would appear to preclude any sizable cutback until well into the next decade.

100,00 New Nonfarm Jobs Added Over the Year

Contrasting with the seasonal downturn, the year-to-year comparison of job totals show vigorous growth in the state's economy - the nonfarm job total was up 100,400, or 5.4 percent. Moreover, substantial employment growth has occurred in nearly every major industry; aerospace, other manufacturing, trade, services and construction.

Business Services Expanding Briskly

The service industries led the over-the-year growth with 27,600 new jobs for a gain of 6.5 percent. Business services, up 7,300, was the largest source of new jobs in the industry. A strong expansion was credited to temporary help agencies where employment continued to grow. Data processing and software firms also expanded significantly, while services to buildings (janitorial, etc.) employed many additional workers this year because of growth in office space.

Employment in amusements was up nearly 2,000 over this year. Part of the increase, however, resulted from higher employment at ski resorts because of more favorable snow conditions this season. Employment in health services, up 5,700 or 4.4 percent, continues to expand but at a slower pace than the overall economy. Growth in medical payrolls has slipped because of efforts to limit costs by government and private insurers.

Restaurants Lead Growth In Retail Trade

Retail trade added 17,900 new jobs over the year. Higher employment was credited to all major segments of the industry, but restaurants accounted for nearly half of the increase. With much of the growth at fast-food outlets, it is little wonder young workers are in short supply in many areas.

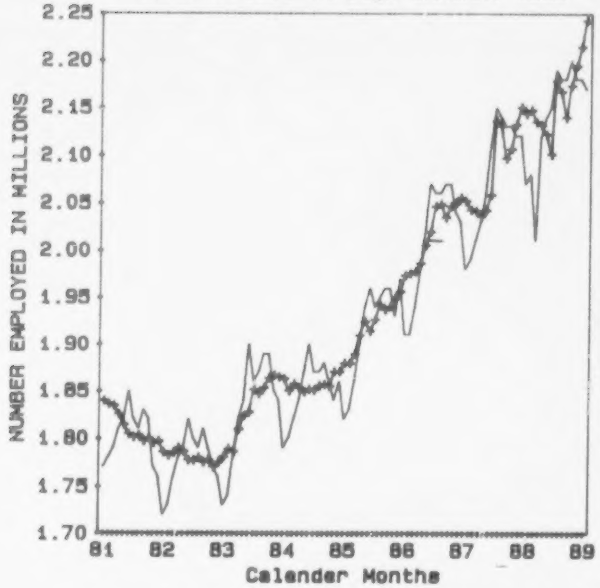
Food stores reported substantial employment gains over the year. Migration to Washington State has picked up in the last two years, which partially accounts for the growth in this and other industries. Auto dealers also boosted their employment significantly over the year, a reflection of both population and employment growth.

19,200 New Manufacturing Jobs

Manufacturing employment was up 19,200 over the year in January for a gain of 5.9 percent, slightly higher than the relative increase in nonmanufacturing. Boeing's huge order backlog resulted in an increase of 8,800 in aerospace, but other manufacturing industries added 10,400 workers because of strong domestic and export demand.

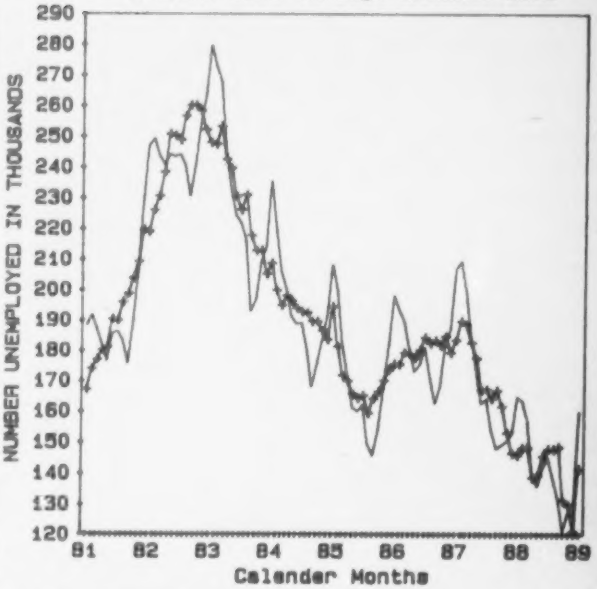
STATE TOTAL EMPLOYMENT

JANUARY 1981 Through JANUARY 1989



STATE TOTAL UNEMPLOYMENT

JANUARY 1981 Through JANUARY 1988



+ SEASONALLY ADJUSTED - NOT SEASONALLY ADJUSTED

Manufacturing industries posting the largest year-to-year expansions other than aerospace included lumber (up 1,000), primary metals (up 1,100), machinery (up 2,500), food products (up 1,300), and printing-publishing (up 1,100). The only manufacturing industry reporting a loss over the year was chemicals where employment fell 900 because of cutbacks at the Hanford Nuclear Reservation. Even at Hanford, however, employment has stabilized and has remained unchanged since September. The hiring of additional workers to clean up nuclear waste has offset losses resulting from the closure of the N Reactor.

AREA TRENDS

Unemployment Climbs In Lumber Areas And Eastern Washington

Unemployment rose in all counties of the state between December and January. The largest relative increases were in counties largely dependent on the lumber industry, food processing, and fruit packing which are usually at their annual lows in January. Eastern Washington in general experienced a greater increase in unemployment than Western Washington because of the effect of its more severe weather on outdoor employment. The jobless rate east of the Cascades jumped from 8.0 percent in December to 10.5 percent in January, while on the west side of the state the rate rose from 4.8 to 5.8 percent.

Many lumber counties in Western Washington recorded substantially higher jobless rates because of the seasonal nature of the industry and deteriorating weather conditions. The unemployment rate in Clallam County rose from 8.2 to 10.6 percent between December and January, while the rate in Lewis County increased from 8.5 to 10.5 percent. The rate in Skamania County jumped from 16.8 to 29.6 percent (the highest in the state in both months) because of the effect of adverse weather on its logging industry. Even when lumber markets are exceptionally strong, the jobless rate in Skamania County soars to 20 percent and over in January and February because of severe winter weather conditions in the Columbia River gorge.

In the State's major metropolitan areas the increase in unemployment was more moderate because of their more diverse economies. The rate in the Seattle Metropolitan Area rose from 4.0 to 5.0 percent between December and January, while Tacoma's rate increased from 5.3 to 6.2 percent. Spokane's rate increased slightly more, 5.5 to 6.8 percent, because of its colder climate.

INDUSTRY NOTES

Hanford Cleanup Will Add 2,000 Jobs

An agreement between Washington State and various federal agencies calls for the clean up of toxic and radioactive waste at the Hanford Nuclear Reservation over the next 30 years - 20 years less than the original plan. The cleanup work is expected to create 2,000 jobs in the area by 1994. The new jobs will help offset the layoff of 6,000 workers due to the closure of the N Reactor.

Funds for the cleanup work are not a certainty. The Energy Department, however, agreed to seek $2.8 billion for the work over the next five years. This year a total of $263 million will be spent for waste management and cleanup at Hanford. The Bush administration has proposed spending $367 million in 1990, but average spending under the agreement would total over $700 million annually over the next three years.

Boeing Wins $3.15 Billion Order

In late February The Boeing Company booked an order from All Nippon Airways of Japan for 20 model 747-400 jumbo jets worth $3.15 billion. The aircraft will be delivered between 1992 and 1996. The order was Boeing's second largest firm order. News reports indicated that All Nippon may follow its order with another for 15 or more 767-300 twin-jets valued at more than $1.2 billion.

Boeing Borrows Lockheed Workers

In an unprecedented effort to meet airliner delivery commitments, The Boeing Company announced that it would borrow 670 workers from the Lockheed Corp. The workers are coming from Lockheed's plant in Marietta, Georgia. The Lockheed plant itself has a new three-year contract to produce sheet metal parts for Boeing. While Boeing has a shortage of plant space and workers, Lockheed has a surplus of both. In April Lockheed is scheduled to deliver the last Air Force transport being built in Georgia under a $6.7 billion contract. With work tapering off, Lockheed has laid off nearly half of the 20,000 workers at the plant. Many have already been hired by Boeing.

Boeing May Add 3,000-6,000 in 1989

Boeing has not issued a forecast of its hiring plans for this year, but outside economists project increases of 3,000 to 6,000. Average annual employment in aerospace (Boeing and other firms) rose over 8,000 in 1988. The availability of skilled aerospace workers, however, will limit employment growth in 1989 not only at Boeing but also at its suppliers.

Competitors Land Big Orders

While Boeing's position as the world's leading manufacturer of jet airliners is unchallenged, it still has strong competition from McDonnell Douglas Corp. and Airbus Industrie, the European Consortium. In February McDonnell Douglas announced orders and commitments for up to 176 jetliners worth approximately $11 billion. American Airlines accounted for most of the orders which included a firm order for eight MD-11 tri-jets, options for 42 more and 100 purchase options for the smaller twin-engine MD-80. The MD-11, which holds 320 passengers and can fly more than 8,000 miles, competes with the Boeing 747 which can usually carry 420 people.

Airbus Industrie received an order for 10 Airbus 330 jets from Northwest Airlines in February worth $860 million. Northwest previously placed orders and options for 100 Airbus 320s, a shorter-range aircraft. It also has options for 20 Airbus 340s, a four engine jetliner.

Lumber Exports Set Record

Lumber and log exports from Washington and Oregon set records in 1988, according to the U.S. Forest Service. Softwood lumber exports rose 25 percent from 1987 to total 1.8 billion board feet, while softwood log exports increased 16.3 percent to total 3.7 billion board feet.

Snoqualmie Plywood Mill Burns

Weyerhaeuser's plywood plant at Snoqualmie burned to the ground in early February putting approximately 130 employees out of work. A decision on rebuilding the mill has not been made. A company spokesman said that the mill has been a marginal operation for several years because of severe competition. Even if Weyerhaeuser decides to rebuild, the work would take two years. Workers are being provided financial and other assistance by Weyerhaeuser to help them find new jobs.

NATIONAL ECONOMIC INDICATORS

Inflation Accelerates

The Consumer Price Index jumped 0.6 percent in January, an annual rate of 7.2 percent and its largest monthly increase in two years. Moreover, an increase occurred in nearly every major category. Medical care costs rose 0.8 percent; transportation prices increased 0.7 percent, largely because of higher gasoline prices; and food prices were up 0.6 percent, partially because of the drought last summer.

Economic data continues to indicate the economy is growing rapidly. And with the nation's factories operating at near capacity and tight labor markets, inflationary pressures are building.

Interest Rates Up

Efforts by the Federal Reserve to slow growth in the economy by limiting the availability of credit continued to push interest rates higher. In late February major banks raised their prime lending rate to 11.5 percent, the highest level in over four years. The higher prime rate will soon be reflected in rates for business loans, home equity loans, and personal loans.

Leading Indicators Advance Strongly

The Index of Leading Economic Indicators, the government's main gauge of future economic activity, showed no sign of a slowdown in the economy. The index rose 0.6 percent in January following a revised 0.7 percent increase in December. Eight of the eleven leading indicators in the index advanced in January. Pushing the overall index higher were the average workweek, initial claims for unemployment insurance (declined), the business delivery index, orders for plant and equipment, the backlog of orders for durable goods, sensitive material prices, stock prices, and consumer expectations. The only leading indicators to fall in January were orders for consumer goods, building permits, and the money supply.

Two indicators were added to the index in January and two others were dropped. Added were an "index of consumer expectations" compiled by the University of Michigan and monthly factory orders for durable goods -- automobiles, appliances, machinery, etc. Credit outstanding and business inventories were the leading indicators dropped because they were usually not available when the overall index was computed.

ESTIMATES REVISED

Resident civilian labor force, employment, and unemployment estimates for 1988 have been adjusted to 1988 average annual data from that portion of the national Current Population Survey conducted in this state. Estimates for 1984-1987 have also been revised. Tables containing the revised data and estimates for prior years are included in this report.

Nonagricultural wage and salary employment estimates for 1987 and 1988 have also been revised. Current nonfarm wage and salary employment estimates prepared by the Employment Security Department are based upon monthly reports received from approximately 5,800 cooperating establishments. While estimates prepared from these reports are timely, they lack the accuracy of our revised estimates. The revised estimates are based upon more complete data contained in tax returns received from establishments covered by the Washington State Employment Security Act and from reports on federal civilian employment. Reports on covered and federal civilian employment provide almost complete counts of nonagricultural wage and salary employment. The major exceptions to covered employment are railroad employment, employment in religious organizations, and at private, primary and secondary educational institutions. Most corporate officers are also excluded. Noncovered employment is estimated from a variety of sources--special surveys, relationships between covered and noncovered employment in the Current Population Survey, reports from individual employers, etc.

Each year estimates are updated to conform with the latest tax return data and the best available information of noncovered wage and salary employment. The 1987 estimates are based on tax return data for the entire year, while those for 1988 are based on tax data through March 1988. Tables containing the revised 1987 and 1988 nonagricultural wage and salary estimates are included in this report.

CONSUMER PRICE INDEX
(All Items, Urban Consumers, 1982-1984=100)

	INDEXES			PERCENT CHANGE Year Ending	
	Jan. 1989	Dec. 1988	Jan. 1988	Jan. 1989	Dec. 1988
U.S. City Average	121.1	120.5	115.7	4.7	4.4
	Jul.-Dec. 1988	Jul.-Dec. 1987		Jul.-Dec. '87 to Jul.-Dec. '88	
Seattle*	113.8	110.3		3.2	

* The index for Seattle reflects prices in King, Pierce and Snohomish counties.

Source: U.S. Department of Labor, Bureau of Labor Statistics

NONAGRICULTURAL WAGE & SALARY WORKERS IN WASHINGTON STATE, PLACE OF WORK 1/

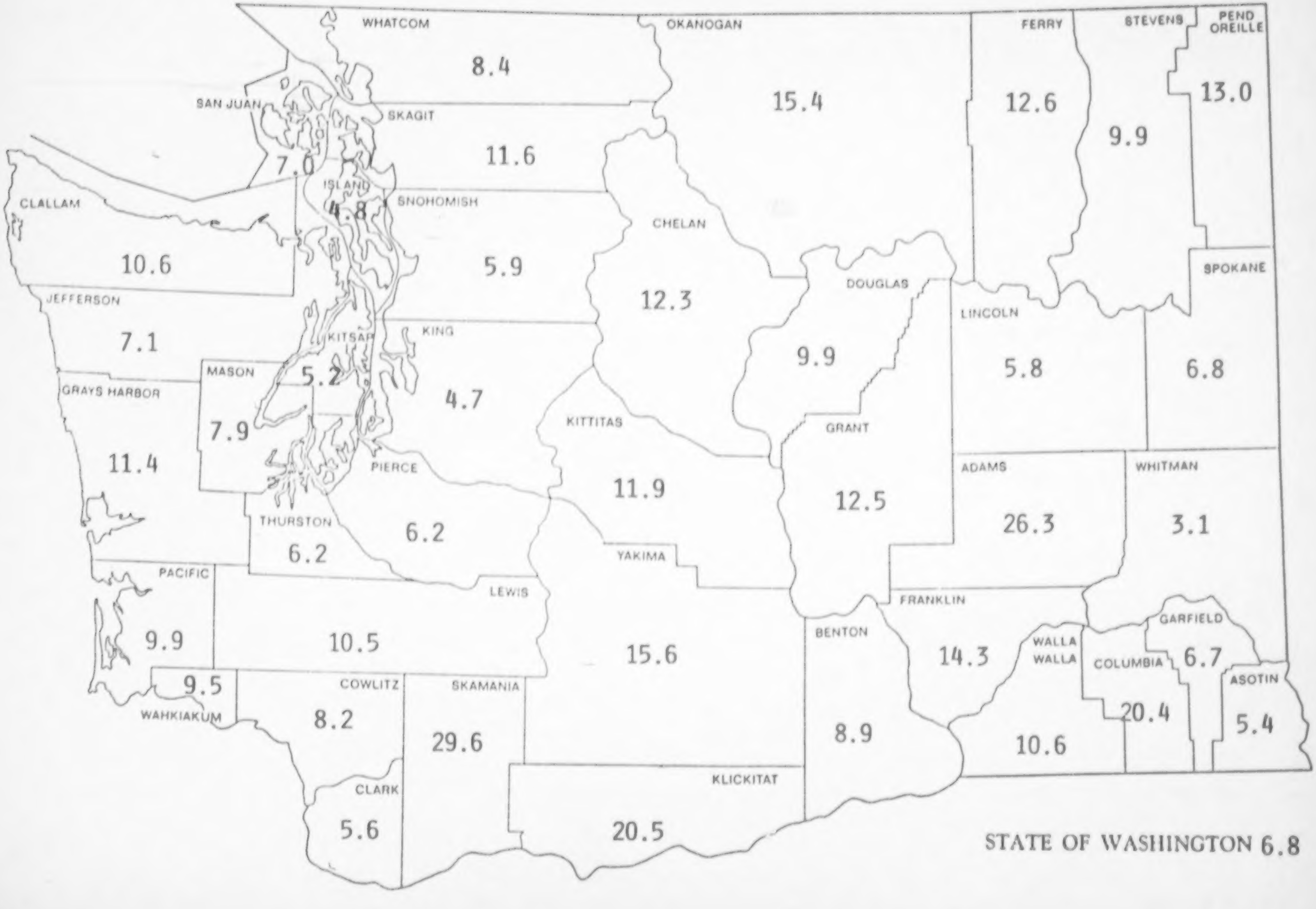
(In Thousands)

NOT SEASONALLY ADJUSTED Industry	January 1989 (PREL.)	December 1988 (REV.)	January 1988 (REV.)	December 1987 (REV.)	Numerical Change Dec. 1988 to Jan. 1989	Numerical Change Jan. 1988 to Jan. 1989
TOTAL NONAG. WAGE AND SALARY	1,955.4	1,984.5	1,855.0	1,905.0	-29.1	100.4
MANUFACTURING	344.5	345.6	325.3	328.2	-1.1	19.2
Durable Goods	248.9	249.1	232.7	232.8	-0.2	16.2
Lumber and Wood Products	40.6	41.2	39.6	40.7	-0.6	1.0
Furniture and Fixtures	4.2	4.3	4.0	4.0	-0.1	0.2
Stone, Clay and Glass	7.3	7.4	6.7	7.1	-0.1	0.6
Primary Metals	13.4	13.4	12.3	12.0	0.0	1.1
Aluminum	9.0	9.1	8.3	8.1	-0.1	0.7
Fabricated Metals	10.9	11.0	10.5	10.9	-0.1	0.4
Machinery	33.0	32.8	30.5	30.4	0.2	2.5
Machinery (Except Electrical)	18.9	18.8	17.3	16.9	0.1	1.6
Electrical Equipment	14.1	14.0	13.2	13.5	0.1	0.9
Transportation Equipment	122.1	121.5	113.1	111.9	0.6	9.0
Aerospace	107.2	106.1	98.4	97.8	1.1	8.8
Other Transp. Equipment	14.9	15.4	14.7	14.1	-0.5	0.2
Instruments and Related	11.7	11.7	11.0	10.8	0.0	0.7
Misc. Manufacturing	5.7	5.8	5.0	5.0	-0.1	0.7
Nondurable Goods	95.6	96.5	92.6	95.4	-0.9	3.0
Food and Kindred Products	30.8	31.4	29.5	32.4	-0.6	1.3
Canned and Preserved Foods	10.0	10.4	9.3	11.3	-0.4	0.7
Apparel and Allied Products	6.2	6.3	5.7	5.6	-0.1	0.5
Paper and Allied Products	17.1	17.1	16.6	16.9	0.0	0.5
Printing and Publishing	21.8	21.9	20.7	20.5	-0.1	1.1
Chemicals and Allied Products	10.1	10.1	11.0	11.1	0.0	-0.9
Other Nondurable Goods 2/	9.6	9.7	9.1	8.9	-0.1	0.5
MINING and QUARRYING	3.3	3.4	3.0	3.1	-0.1	0.3
CONSTRUCTION	91.2	96.6	83.2	89.0	-5.4	8.0
TRANSP.,COMM. and UTIL.	102.0	102.9	97.7	100.3	-0.9	4.3
WHOLESALE and RETAIL TRADE	479.1	495.5	454.5	479.3	-16.4	24.6
Wholesale Trade	115.9	118.1	109.2	114.4	-2.2	6.7
Retail Trade	363.2	377.4	345.3	364.9	-14.2	17.9
FIN. INS. and REAL ESTATE	111.4	111.7	106.9	107.7	-0.3	4.5
SERVICES	450.5	454.0	422.9	431.1	-3.5	27.6
Health Services	135.5	136.0	129.8	132.7	-0.5	5.7
GOVERNMENT	373.4	374.8	361.5	366.3	-1.4	11.9
Federal	71.3	71.5	69.7	71.6	-0.2	1.6
State and Local	302.1	303.3	291.8	294.7	-1.2	10.3
Education	163.8	164.5	159.3	160.4	-0.7	4.5
WORKERS IN LABOR-MANAGEMENT DISPUTES	0.0	0.0	0.0	0.0	0.0	0.0

1 / Excludes proprietors, self-employed, members of armed forces, and private household employees. Includes all full- and part-time wage and salary workers receiving pay during the pay period including the 12th of the month.

2 / Includes textile mill products, rubber and miscellaneous plastic products, petroleum refining and related products, and leather products.

3 / Workers excluded because of involvement in labor-management disputes.


WHATCOM
8.4
SAN JUAN
7.0
SKAGIT
11.6
OKANOGAN
15.4
FERRY
12.6
STEVENS
9.9
PEND OREILLE
13.0
CLALLAM
10.6
ISLAND
4.8
SNOHOMISH
5.9
CHELAN
12.3
DOUGLAS
9.9
SPOKANE
6.8
JEFFERSON
7.1
KITSAP
5.2
KING
4.7
LINCOLN
5.8
MASON
7.9
GRAYS HARBOR
11.4
KITTITAS
11.9
GRANT
12.5
ADAMS
26.3
WHITMAN
3.1
PIERCE
6.2
THURSTON
6.2
YAKIMA
15.6
PACIFIC
9.9
LEWIS
10.5
FRANKLIN
14.3
GARFIELD
6.7
WAHKIAKUM
9.5
COWLITZ
8.2
SKAMANIA
29.6
BENTON
8.9
WALLA WALLA
10.6
COLUMBIA
20.4
ASOTIN
5.4
CLARK
5.6
KLICKITAT
20.5

STATE OF WASHINGTON 6.8

Washington State
Employment Security Department
Labor Market and Economic Analysis Branch

RESIDENT LABOR FORCE AND EMPLOYMENT IN WASHINGTON STATE AND LABOR MARKET AREAS

DATE 3/7/39
Benchmark: 1988

(Not Seasonally Adjusted)

	JANUARY 1989 PRELIMINARY 1/				DECEMBER 1988 REVISED 1/				JANUARY 1988 REVISED 1/			
	Labor Force	Employment	Unemployment	Unemp. Rate	Labor Force	Employment	Unemployment	Unemp. Rate	Labor Force	Employment	Unemployment	Unemp. Rate
Washington State total	2,331,400	2,171,700	159,700	6.8	2,314,900	2,188,400	126,500	5.5	2,240,100	2,075 500	164,600	7.3
Bellingham MSA	58,300	53,400	4,900	8.4	58,400	54,600	3,800	6.5	57,600	52,200	5,400	9.4
Bremerton MSA	75,000	71,100	3,900	5.2	75,900	72,600	3,300	4.3	74,000	69,600	4,400	5.9
Olympia MSA	79,200	74,300	4,900	6.2	76,200	72,000	4,200	5.5	73,800	68,700	5,100	6.9
Seattle PMSA	1,058,600	1,006,000	52,600	5.0	1,053,700	1,012,000	41,700	4.0	1,006,100	951,800	54,300	5.4
King County 2/	836,100	796,600	39,500	4.7	833,000	801,300	31,700	3.8	794,500	753,700	40,800	5.1
Snohomish County 2/	222,600	209,500	13,100	5.9	220,800	210,700	10,100	4.6	211,600	198,200	13,400	6.3
Spokane MSA	168,000	156,600	11,400	6.8	168,400	159,200	9,200	5.5	163,100	151,300	11,800	7.2
Tacoma PMSA	245,600	230,400	15,200	6.2	245,600	232,700	12,900	5.3	237,000	220,400	16,600	7.0
Tri-Cities MSA	64,700	58,100	6,600	10.2	64,000	58,300	5,700	8.9	65,300	58,300	7,000	10.7
Benton County 2/	49,300	44,900	4,400	8.9	48,900	45,100	3,800	7.8	49,700	45,000	4,700	9.5
Franklin County 2/	15,400	13,200	2,200	14.3	15,200	13,300	1,900	12.5	15,600	13,300	2,300	14.7
Vancouver PMSA	115,500	109,000	6,500	5.6	114,500	108,500	6,000	5.2	111,900	104,300	7,600	6.8
Yakima MSA	90,900	76,700	14,200	15.6	87,900	77,700	10,200	11.6	85,700	72,700	13,000	15.2
Adams	6,680	4,920	1,760	26.3	5,790	4,920	870	15.0	5,920	4,910	1,010	17.1
Asotin	9,390	8,880	510	5.4	9,280	8,870	410	4.4	8,600	7,950	650	7.6
Clallam	22,480	20,100	2,380	10.6	22,620	20,760	1,860	8.2	22,060	19,850	2,210	10.0
Columbia	1,670	1,330	340	20.4	1,590	1,340	250	15.7	1,790	1,370	420	23.5
Cowlitz	35,730	32,810	2,920	8.2	35,440	33,000	2,440	6.9	34,950	31,890	3,060	8.8
Ferry	2,700	2,360	340	12.6	2,700	2,440	260	9.6	2,700	2,300	400	14.8
Garfield	1,050	980	70	6.7	1,020	980	40	3.9	1,020	920	100	9.8
Grant	22,250	19,460	2,790	12.5	22,220	19,880	2,340	10.5	22,310	19,270	3,040	13.6
Grays Harbor	25,320	22,430	2,890	11.4	24,870	22,340	2,530	10.2	25,430	22,530	2,900	11.4
Island	19,340	18,410	930	4.8	19,310	18,520	790	4.1	18,630	17,550	1,080	5.8
Jefferson	8,210	7,630	580	7.1	8,170	7,710	460	5.6	7,670	7,070	600	7.8
Kittitas	11,820	10,410	1,410	11.9	11,090	10,130	960	8.7	12,290	10,660	1,630	13.3
Klickitat	7,670	6,100	1,570	20.5	6,910	6,110	800	11.6	7,210	5,800	1,410	19.6
Lewis	24,700	22,110	2,590	10.5	24,840	22,740	2,100	8.5	23,680	20,960	2,720	11.5
Lincoln	4,110	3,870	240	5.8	4,170	3,970	200	4.8	4,090	3,820	270	6.6
Mason	13,020	11,990	1,030	7.9	13,630	12,780	850	6.2	12,920	11,830	1,090	8.4
Okanogan	15,490	13,110	2,380	15.4	14,720	12,900	1,820	12.4	15,130	12,930	2,200	14.5
Pacific	7,290	6,570	720	9.9	7,160	6,510	650	9.1	6,880	6,140	740	10.8
Pend Oreille	3,380	2,940	440	13.0	3,340	2,980	360	10.8	2,960	2,520	440	14.9
San Juan	4,570	4,250	320	7.0	4,660	4,430	230	4.9	4,500	4,170	330	7.3
Skagit	31,760	28,090	3,670	11.6	31,040	28,470	2,570	8.3	32,080	28,060	4,020	12.5
Skamania	2,300	1,620	680	29.6	2,140	1,780	360	16.8	2,330	1,620	710	30.5
Stevens	11,620	10,470	1,150	9.9	11,650	10,710	940	8.1	11,180	10,010	1,170	10.5
Wahkiakum	1,160	1,050	110	9.5	1,120	1,040	80	7.1	1,200	1,060	140	11.7
Walla Walla	23,520	21,020	2,500	10.6	23,000	21,250	1,750	7.6	22,950	20,370	2,580	11.2
Wenatchee Labor Area	39,700	35,140	4,560	11.5	39,230	36,100	3,130	8.0	37,040	33,040	4,000	10.8
Chelan County 2/	26,820	23,530	3,290	12.3	26,370	24,170	2,200	8.3	24,890	22,120	2,770	11.1
Douglas County 2/	12,880	11,610	1,270	9.9	12,860	11,930	930	7.2	12,140	10,910	1,230	10.1
Whitman	18,760	18,180	580	3.1	18,580	18,050	530	2.9	18,080	17,500	580	3.2

1/ Official U.S. Department of Labor, Bureau of Labor Statistics data.
2/ Estimates are determined by using the Population/Claims Share disaggregation methodology.
Note: Detail may not add due to rounding

ESTIMATED AVERAGE HOURS AND EARNINGS OF PRODUCTION WORKERS IN MANUFACTURING AND OF NONSUPERVISORY WORKERS IN NONMANUFACTURING ACTIVITIES, STATE OF WASHINGTON

	Prelim Jan Production Workers/ Nonsupervisory Workers	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
		Jan-89	Dec-88	Jan-88	Jan-89	Dec-88	Jan-88	Jan-89	Dec-88	Jan-88
TOTAL MANUFACTURING INDUSTRIES*	203.519	$495.24	$503.89	$481.60	40.1	41.0	40.1	$12.35	$12.29	$12.01
SELECTED MANUFACTURING INDUSTRIES										
Lumber and Wood Products	34.330	$446.35	$444.77	$433.40	39.5	39.5	39.4	$11.30	$11.26	$11.00
Primary Metal Industries	10,048	$538.46	$546.05	$594.11	42.1	43.2	39.9	$12.79	$12.64	$14.89
Fabricated Metal Products	8.654	$471.62	$468.99	$421.85	39.9	40.5	37.8	$11.82	$11.58	$11.16
Machinery	21,692	$378.50	$378.82	$366.80	38.9	40.3	40.0	$9.73	$9.40	$9.17
Food and Kindred Products	22,495	$360.51	$353.79	$347.76	35.8	36.7	36.0	$10.07	$9.64	$9.66
Chemical and Allied Products	4.085	$635.90	$684.54	$611.96	36.8	39.5	40.5	$17.28	$17.33	$15.11
Transportation Equipment	56.313	$631.03	$655.09	$618.02	43.7	44.9	43.8	$14.44	$14.59	$14.11
SELECTED NONMANUFACTURING INDUSTRIES										
Construction	63.038	$588.97	$592.59	$572.96	36.2	36.4	35.9	$16.27	$16.28	$15.96
Wholesale and Retail Trade (does not include eating and drinking establishments)	296.872	$314.93	$309.59	$293.58	32.4	32.9	31.1	$9.72	$9.41	$9.44

* Average hourly earnings for all manufacturing production workers reported in this table do not exactly reflect the official US Bureau of Labor Statistics definition of "wages." While these data still constitute a valid economic indicator series, they should not be used at this time for the negotiation of contracts whose monetary provisions may depend upon official US Bureau of Labor Statistics hourly earning data.

STATE OF WASHINGTON
EMPLOYMENT SECURITY DEPARTMENT

NONAGRICULTURAL WAGE AND SALARY WORKERS IN WASHINGTON STATE, 1988

(in thousands) (Benchmarked: March 1988)

Industry	Annual _3/ Average	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
TOTAL	1935.5	1855.0	1867.4	1886.5	1913.2	1934.1	1961.3	1935.8	1945.0	1972.3	1984.6	1986.2	1984.5
Manufacturing	338.6	325.3	326.8	329.6	334.9	337.4	340.6	338.6	343.2	346.7	347.1	347.7	345.6
Durable Goods	241.0	232.7	233.6	234.8	237.7	239.2	242.2	241.3	242.5	244.7	245.8	248.2	249.1
Lumber & Wood Products	41.4	39.6	40.0	40.2 _1/	41.3	42.2	43.1 _1/	41.4 _1/	41.1 _1/	42.1 _1/	42.3 _1/	41.9	41.2
Furniture & Fixtures	4.2	4.0	4.0	4.1	4.1	4.2	4.2	4.2	4.2	4.3	4.3	4.3	4.3
Stone, Clay & Glass	7.5	6.7	6.9	7.2	7.4	7.5	7.7	7.8	7.8	7.8	7.7	7.6	7.4
Primary Metals	12.8	12.3	12.2	12.4	12.4	12.4	12.7 _1/	12.8 _1/	13.0 _1/	13.2 _1/	13.2 _1/	13.3	13.4
Aluminum	8.7	8.3	8.2	8.4	8.4	8.4	8.7	8.9	8.9	9.1	9.0	9.0	9.1
Fabricated Metals	10.9	10.5	10.3	10.3	10.5	10.7	10.9	11.0	11.3	11.4	11.4	11.2	11.0
Machinery	31.5	30.5	30.8	31.0	31.2	31.0	31.3	31.5	31.8	32.1	31.8 _1/	32.5	32.8
Machinery (Exc. Elec.)	18.1	17.3	17.5	17.7	18.0	17.9	17.9	18.0	18.2	18.4	18.6	18.6	18.8
Electrical Equipment	13.5	13.2	13.3	13.3	13.2	13.1	13.4	13.5	13.6	13.7	13.2 _1/	13.9	14.0
Transportation Equipment	116.0	113.1	113.3	113.3	114.2	114.5	115.4	115.7	116.3	116.8	118.0	120.1	121.5
Aerospace	101.0	98.4	98.4	98.6	98.9	99.3	100.2	100.7	101.2	101.8	102.9	105.1	106.1
Other Transp. Equip.	15.1	14.7	14.9	14.7	15.3	15.2	15.2	15.0	15.1	15.0	15.1	15.0	15.4
Instruments & Related	11.5	11.0	11.1	11.2	11.4	11.6	11.6	11.6	11.6	11.5	11.6	11.6	11.7
Misc. Manufacturing	5.3	5.0	5.0	5.1	5.2	5.1	5.3	5.3	5.4	5.5	5.5	5.7	5.8
Nondurable Goods	97.6	92.6	93.2	94.8	97.2	98.2	98.4	97.3	100.7	102.0	101.3	99.5	96.5
Food & Kindred Products	33.1	29.5	29.7	30.7	33.0	33.7	33.4	32.0	35.5	37.1	36.5	34.6	31.4
Canned & Preserved Foods	12.4	9.3	9.6	10.2	12.6	13.2	12.9	11.1	14.3	15.7	15.4	13.6	10.4
Apparel & Allied Products	6.1	5.7	5.7	5.9	6.1	6.1	6.1	6.3	6.3	6.2	6.2	6.3	6.3
Paper & Allied Products	17.0	15.6	16.6	16.7	16.6	17.0	17.3	17.6	17.5	17.3	17.0	16.9	17.1
Printing & Publishing	21.4	20.7	20.9	21.0	21.1	21.3	21.5	21.5	21.6	21.7	21.8	21.9	21.9
Chemicals &Allied Products	10.6	11.0	11.2	11.2	11.0	10.7	10.5	10.4	10.2	10.1	10.1	10.1	10.1
Other Nondurable Goods _2	9.5	9.1	9.1	9.3	9.4	9.4	9.6	9.5	9.6	9.6	9.7	9.7	9.7
Nonmanufacturing	1596.9	1529.7	1540.6	1556.9	1578.3	1596.7	1620.7	1597.2	1601.8	1625.6	1637.5	1638.5	1638.9
Mining & Quarrying	3.3	3.0	3.0	3.2	3.3	3.3	3.4	3.4	3.4	3.5	3.5	3.5	3.4
Construction	96.0	83.2	84.0	87.2	90.8	94.7	98.9	101.6 _1/	104.9	105.1	104.7	99.8	96.6
Transp, Comm. & Util	101.5	97.7	97.8	98.8	99.1	100.6	102.4	103.0	103.8	104.4	103.6	103.4	102.9
Wholesale & Retail Trade	475.2	454.5	452.9	457.6 _1/	463.6	470.3 _1/	480.5 _1/	480.8	484.2	487.1	486.3	489.4	495.5
Wholesale Trade	115.5	109.2	109.9	111.5	113.6	114.1	117.5	116.8	117.5	120.0	119.3	118.3	118.1
Retail Trade	359.7	345.3	343.0	346.1 _1/	350.0	356.2 _1/	363.0 _1/	364.0	366.7	367.1	367.0	371.1	377.4
Fin., Ins., & Real Estate	109.8	106.9	107.1	107.8	108.5	109.4	110.5	111.1	111.4	111.1	110.8	111.1	111.7
Services	444.3	422.9	428.1	433.7	441.3	446.2	449.9	446.9	448.7	453.4	453.5	453.1	454.0
Health Services	133.5	129.8	130.5	132.1	132.8	133.1	134.8	134.4	134.4	134.6	134.7	135.1	136.0
Government	366.8	361.5	367.7	368.6	371.7	372.2	375.1	350.4	345.4	361.0	375.1	378.2	374.8
Federal	71.6	69.7	69.7	70.1	71.2	71.5	73.3	73.2	73.0	72.3	71.7	71.4	71.5
State & Local	295.3	291.8	298.0	298.5	300.5	300.7	301.8	277.2	272.4	288.7	303.4	306.8	303.3
Education	155.0	159.3	162.9	163.6	163.5	162.7	158.9	128.7	123.0	143.9	162.6	166.9	164.5
Workers in Labor/ management disputes	0.6	0.0	0.0	0.2	0.0	0.3	0.7	2.4	2.5	0.5	0.5	0.0	0.0

_1/ Workers excluded because of involvement in labor-management disputes.
_2/ Includes textile mill products, rubber and miscellaneous plastic products, petroleum refining and related products, and leather products.
_3/ Detail may not add due to rounding.

STATE OF WASHINGTON
EMPLOYMENT SECURITY DEPARTMENT

Revised 1988

NONAGRICULTURAL WAGE AND SALARY WORKERS IN WASHINGTON STATE, 1987

(in thousands) (Benchmarked: March 1987)

Industry	Annual _3/ Average	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
TOTAL	1851.8	1769.0	1775.4	1794.4	1822.1	1844.3	1871.8	1858.3	1874.5	1901.0	1904.4	1901.6	1905.1
Manufacturing	318.4	303.5	303.3	305.5	309.8	313.8	317.3	321.8	327.4	330.8	329.7	329.7	328.2
Durable Goods	224.0	213.9	214.3	215.2	217.4	220.1	223.3	227.2	228.7	231.3	231.2	232.8	232.8
Lumber & Wood Products	40.4	38.0	38.3	38.2	39.0	40.1	41.1	42.2 _1/	42.0	42.1	41.5	41.3	40.7
Furniture & Fixtures	3.8	3.6	3.6	3.7	3.6	3.7	3.7	3.7	3.8	3.9	4.0	4.0	4.0
Stone, Clay & Glass	6.9	5.9	5.9	6.1	6.5	6.7	6.9	7.5	7.5	7.7	7.3	7.3	7.1
Primary Metals	11.3	11.4	11.1	10.8	10.8	10.7	10.9	11.4	11.5	11.8	11.9	11.8	12.0
Aluminum	7.5	7.6	7.3	7.1	7.1	7.0	7.0	7.6	7.7	8.0	8.0	8.0	8.1
Fabricated Metals	10.5	9.6	9.6	9.7	9.9	10.1	10.4	10.7	11.0	11.3	11.3	11.1	10.9
Machinery	29.4	28.4	28.3	28.5	28.9	29.3	29.6	29.7	29.8	30.0	30.1	30.2	30.4
Machinery (Exc. Elec.)	16.2	15.4 _1/	15.5 _1/	15.6 _1/	15.9	16.2	16.5	16.4	16.5	16.6	16.6	16.7	16.9
Electrical Equipment	13.2	13.0	12.8	12.9	13.0	13.1	13.1	13.3	13.3	13.4	13.5	13.5	13.5
Transportation Equipment	106.2	101.9	102.5	103.1	103.3	103.9	105.1	106.2	107.2	108.7	109.6	111.4	111.9
Aerospace	92.9	89.0	89.2	89.6	90.2	91.0	92.1	93.3	94.2	95.4	96.0	97.5	97.8
Other Transp. Equip.	13.3	12.9 _1/	13.3 _1/	13.5 _1/	13.1 _1/	12.9 _1/	13.0	12.9 _1/	13.0 _1/	13.3	13.6	13.9	14.1
Instruments & Related	10.8	10.6	10.5	10.5	10.8	10.9	10.9	11.0	11.0	10.9	10.6	10.7	10.8
Misc. Manufacturing	4.8	4.5	4.5	4.6	4.6	4.7	4.7	4.8	4.9	4.9	4.9	5.0	5.0
Nondurable Goods	94.4	89.6	89.0	90.3	92.4	93.7	94.0	94.6	98.7	99.5	98.5	96.9	95.4
Food & Kindred Products	32.3	29.1	28.4 _1/	29.3	31.3	32.1	32.0	32.1	35.9	36.0	35.5	33.9	32.4
Canned & Preserved Foods	11.8	9.2	8.7	9.5	11.3	12.0	11.5	11.5	14.4	14.9	14.2	12.6	11.3
Apparel & Allied Products	5.4	5.1	5.0	5.1	5.0	5.2	5.2	5.4	5.6	5.7	5.7	5.8	5.6
Paper & Allied Products	16.6	16.3	16.2	16.2	16.3	16.4	16.6	16.9	16.7	16.8	16.8	16.7	16.9
Printing & Publishing	20.1	19.6	19.6	19.7	19.8	20.0	20.1	20.0	20.3	20.6	20.4	20.5	20.5
Chemicals &Allied Products	11.4	11.4	11.5	11.6	11.7	11.6	11.6	11.6	11.5	11.5	11.1	11.0	11.1
Other Nondurable Goods _2	8.6	8.1	8.3	8.4	8.3	8.4	8.5	8.6	8.7	8.9	9.0	9.0	8.9
Nonmanufacturing	1533.4	1465.5	1472.1	1488.9	1512.3	1530.5	1554.5	1536.5	1547.1	1570.2	1574.7	1571.9	1576.9
Mining & Quarrying	3.0	2.7	2.7	2.8	3.0	3.0	3.0	3.2	3.3	3.3	3.2	3.2	3.1
Construction	88.9	78.0	78.0	80.7	84.4	87.8	91.3	94.0 _1/	96.9	97.1	97.2	92.2	89.0
Transp, Comm. & Util	98.5	94.6 _1/	94.8 _1/	94.8	95.9	97.6	99.5	101.1	101.3	102.2	100.6	99.7	100.3
Wholesale & Retail Trade	457.6	434.0	432.4	436.9	445.4	453.3	463.5	464.9	469.4	472.1	468.6	472.9	478.1
Wholesale Trade	111.1	104.9	105.8	107.2	108.9	109.8	113.1	111.3	113.7	115.4	115.3	114.1	113.8
Retail Trade	346.5	329.1 _/1	326.6 _/1	329.7 _1/	336.5	343.5	350.4	353.6	355.7	356.7	353.3	358.8	364.3
Fin., Ins., & Real Estate	107.5	104.8	105.3	106.1	107.1	107.6	108.3	109.1	109.3	109.0	108.1	107.5	107.7
Services	420.7	398.7	402.7	408.5	415.0	419.0	422.9	424.2	428.9	434.4	432.3	429.1	432.4
Health Services	129.3	125.7	125.6	126.9	127.2	128.0	129.8	130.8	130.5	131.4	131.0	131.5	132.7
Government	357.2	352.7	356.2	359.1	361.5	362.2	366.0	340.0	338.0	352.1	364.7	367.3	366.3
Federal	70.6	68.3	68.1	69.3	70.3	70.6	71.2	71.6	71.8	71.8	71.5	71.3	71.6
State & Local	286.6	284.4	288.1	289.8	291.2	291.6	294.8	268.4	266.2	280.3	293.2	296.0	294.7
Education	151.1	154.6	157.6	158.7	158.9	158.4	156.4	126.0	122.1	140.1 _1/	158.2	161.5	160.4
Workers in Labor/ management disputes	0.6	1.4	1.5	1.2	0.8	0.8	0.4	0.1	0.1	1.3	0.0	0.0	0.0

_1/ Workers excluded because of involvement in labor-management disputes.

_2/ Includes textile mill products, rubber and miscellaneous plastic products, petroleum refining and related products, and leather products.

_3/ Detail may not add due to rounding.

Washington State
Employment Security Department
Labor Market and Economic Analysis Branch
March 14, 1989

RESIDENT CIVILIAN LABOR FORCE AND EMPLOYMENT IN WASHINGTON STATE
(BENCHMARK: MARCH 1988) 1/ 2/

	ANNUAL AVERAGE	January	February	March	April	May	June	July	August	September	October	November	December
1988 3/													
Civilian Labor Force	2,295,000	2,240,100	2,250,400	2,260,600	2,266,100	2,279,200	2,301,700	2,342,000	2,321,800	2,312,000	2,327,900	2,311,600	2,314,900
Total Employment	2,153,000	2,075,500	2,087,100	2,103,900	2,126,300	2,143,400	2,159,900	2,196,900	2,183,500	2,180,300	2,206,700	2,184,200	2,188,400
Total Unemployment	141,000	164,600	163,300	156,700	139,800	135,800	141,800	145,100	138,300	131,700	121,200	127,400	126,500
Percent of Labor Force	6.2	7.3	7.3	6.9	6.2	6.0	6.2	6.2	6.0	5.7	5.2	5.5	5.5
1987 3/													
Civilian Labor Force	2,255,000	2,194,200	2,194,800	2,210,800	2,214,200	2,236,400	2,279,200	2,318,300	2,300,600	2,283,800	2,288,000	2,272,700	2,278,900
Total Employment	2,085,000	1,987,200	1,985,500	2,011,700	2,030,100	2,063,900	2,116,800	2,154,400	2,147,000	2,136,000	2,138,900	2,122,400	2,126,100
Total Unemployment	171,000	207,000	209,300	199,100	184,100	172,500	162,400	163,900	153,600	147,800	149,100	150,300	152,800
Percent of Labor Force	7.6	9.4	9.5	9.0	8.3	7.7	7.1	7.1	6.7	6.5	6.5	6.6	6.7
1986													
Civilian Labor Force	2,199,000	2,109,900	2,130,100	2,162,400	2,183,000	2,197,700	2,218,500	2,303,900	2,259,900	2,213,000	2,217,500	2,191,400	2,188,600
Total Employment	2,018,000	1,923,800	1,930,700	1,966,000	2,000,700	2,027,500	2,044,900	2,110,000	2,084,800	2,057,600	2,053,500	2,011,700	2,004,700
Total Unemployment	180,000	186,100	199,400	196,400	182,300	170,200	173,600	193,900	175,100	155,400	164,000	179,700	183,900
Percent of Labor Force	8.2	8.8	9.4	9.1	8.4	7.7	7.8	8.4	7.7	7.0	7.4	8.2	8.4
1985													
Civilian Labor Force	2,091,000	2,039,600	2,042,100	2,049,400	2,069,800	2,086,900	2,100,500	2,143,200	2,134,800	2,105,000	2,118,300	2,109,000	2,093,400
Total Employment	1,921,000	1,839,700	1,848,300	1,866,900	1,900,600	1,916,500	1,926,800	1,970,900	1,974,400	1,955,700	1,969,400	1,952,600	1,930,200
Total Unemployment	170,000	199,900	193,800	182,500	169,200	170,400	173,700	172,300	160,400	149,300	148,900	156,400	163,200
Percent of Labor Force	8.1	9.8	9.5	8.9	8.2	8.2	8.3	8.0	7.5	7.1	7.0	7.4	7.8
1984													
Civilian Labor Force	2,051,000	2,022,100	2,036,800	2,041,100	2,033,700	2,041,700	2,070,700	2,109,100	2,084,200	2,048,200	2,055,400	2,032,400	2,036,600
Total Employment	1,857,000	1,786,700	1,807,500	1,824,900	1,831,700	1,849,500	1,879,700	1,916,300	1,909,200	1,880,100	1,886,300	1,857,300	1,854,900
Total Unemployment	194,000	235,400	229,300	216,200	202,000	192,200	191,000	192,800	175,000	168,100	169,100	175,100	181,700
Percent of Labor Force	9.5	11.6	11.3	10.6	9.9	9.4	9.2	9.1	8.4	8.2	8.2	8.6	8.9
1983													
Civilian Labor Force	2,068,000	2,022,100	2,029,700	2,040,900	2,046,100	2,049,100	2,116,100	2,138,200	2,111,600	2,087,100	2,085,400	2,061,300	2,040,400
Total Employment	1,838,000	1,752,200	1,762,400	1,782,000	1,799,900	1,821,200	1,872,800	1,903,100	1,894,200	1,887,600	1,885,500	1,860,300	1,834,800
Total Unemployment	231,000	269,900	267,300	258,900	246,200	227,900	243,300	235,100	217,400	199,500	199,900	201,000	205,600
Percent of Labor Force	11.2	13.3	13.2	12.7	12.0	11.1	11.5	11.0	10.3	9.6	9.6	9.8	10.1

	ANNUAL AVERAGE	January	February	March	April	May	June	July	August	September	October	November	December
1982													
Civilian Labor Force	2,024,000	1,957,800	1,963,000	1,983,000	1,986,100	2,006,500	2,029,300	2,092,900	2,068,100	2,049,100	2,052,200	2,049,800	2,050,100
Total Employment	1,779,000	1,709,400	1,710,800	1,734,000	1,740,200	1,762,800	1,788,000	1,835,600	1,826,100	1,821,500	1,821,800	1,801,600	1,796,000
Total Unemployment	245,000	248,400	252,200	249,000	245,900	243,700	241,300	257,300	242,000	227,600	230,400	248,200	254,100
Percent of Labor Force	12.1	12.7	12.8	12.6	12.4	12.1	11.9	12.3	11.7	11.1	11.2	12.1	12.4
1981													
Civilian Labor Force	1,996,000	1,972,500	1,974,200	1,968,800	1,980,800	1,984,800	2,021,200	2,073,400	2,045,700	1,997,700	1,988,800	1,967,300	1,976,900
Total Employment	1,806,000	1,789,800	1,783,700	1,782,700	1,795,400	1,806,500	1,836,400	1,879,600	1,856,600	1,824,500	1,803,100	1,759,300	1,754,500
Total Unemployment	190,000	182,700	190,500	186,100	185,400	178,300	184,800	193,800	189,100	173,200	185,700	208,000	222,400
Percent of Labor Force	9.5	9.3	9.6	9.5	9.4	9.0	9.1	9.3	9.2	8.7	9.3	10.6	11.2
1980													
Civilian Labor Force	1,985,000	1,939,100	1,955,300	1,970,900	1,978,100	1,969,500	2,000,800	2,026,600	2,013,500	1,990,200	1,987,200	1,984,100	1,992,800
Total Employment	1,828,000	1,774,700	1,796,100	1,820,800	1,825,400	1,825,000	1,840,600	1,866,400	1,857,200	1,842,900	1,837,300	1,825,600	1,824,100
Total Unemployment	156,000	164,400	159,200	150,100	152,700	144,500	160,200	160,200	156,300	147,300	149,900	158,500	168,700
Percent of Labor Force	7.9	8.5	8.1	7.6	7.7	7.3	8.0	7.9	7.8	7.4	7.5	8.0	8.5
1979													
Civilian Labor Force	1,937,000	1,824,600	1,869,300	1,895,100	1,922,800	1,937,600	1,984,100	2,015,300	1,990,000	1,963,500	1,959,200	1,937,500	1,945,100
Total Employment	1,806,000	1,666,300	1,697,000	1,744,500	1,779,100	1,814,300	1,859,000	1,893,400	1,878,500	1,855,200	1,850,300	1,822,300	1,812,100
Total Unemployment	131,000	158,300	172,300	150,600	143,700	123,300	125,100	121,900	111,500	108,300	108,900	115,200	133,000
Percent of Labor Force	6.8	8.7	9.2	7.9	7.5	6.4	6.3	6.0	5.6	5.5	5.6	5.9	6.8
1978													
Civilian Labor Force	1,808,000	1,719,000	1,748,000	1,770,900	1,780,500	1,808,100	1,842,500	1,875,800	1,856,100	1,819,800	1,821,900	1,816,800	1,836,500
Total Employment	1,684,000	1,572,900	1,601,200	1,627,700	1,654,300	1,691,200	1,725,200	1,759,200	1,743,700	1,713,900	1,717,700	1,701,800	1,699,300
Total Unemployment	124,000	146,100	146,800	143,200	126,200	116,900	117,300	116,600	112,400	105,900	104,200	115,000	137,200
Percent of Labor Force	6.9	8.5	8.4	8.1	7.1	6.5	6.4	6.2	6.1	5.8	5.7	6.3	7.5

1/ Prepared in cooperation with the Bureau of Labor Statistics.

2/ Monthly data for all years were revised using new Bureau of Labor Statistics methodology introduced in January 1989.

3/ Data for 1987 and 1988 were revised in March 1989 incorportating updated information on industry employment.

Note: Detail may not add nor divide due to rounding.

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Washington LABOR MARKET

JOB SERVICE

Washington State
Employment Security

Isiah Turner
Commissioner

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Director

In cooperation with the
Employment and Training
Administration
U.S. Department of Labor

March 1989

Volume 13, Number 3

Highlights

** Distressed Areas**

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Weather Slows Job Market

Employment normally begins to expand from its winter low in Washington State during February as outdoor employment benefits from moderating weather. This year, however, was not normal. January's weather was unseasonably mild, while February saw snow and subfreezing weather in most of the state. As a result, total employment fell 9,900 between January and February.

Paradoxically, unemployment also declined as the cold weather discouraged many would-be job seekers from looking for work. Only individuals without a job and actively seeking work are counted as unemployed. Total unemployment in the state fell from 161,700 and 6.9 percent in January to 157,400 and 6.8 percent in February. The number of jobless workers was down 5,900 from February 1988 when the rate was 7.3 percent.

	Feb. 1989 (Prel.)	Jan. 1989 (Rev.)	Feb. 1988
Civilian Labor Force	2,318,900	2,333,100	2,250,400
Total Employment	2,161,500	2,171,400	2,087,100
Total Unemployment	157,400	161,700	163,300
State Unemployment Rate	6.8	6.9	7.3
National Civilian Unemployment Rate	5.6	6.0	6.2

Data in this table are not seasonally adjusted.

Fewer Farm Jobs in February

Agriculture accounted for much of the job loss in February. Some of the decline resulted not from adverse weather but because the relatively mild weather in January permitted farmers to begin fruit tree pruning early. Farm employment should expand moderately in March with more favorable weather permitting preharvest work to be stepped-up. Agricultural employment will increase sharply in April. The asparagus harvest should employ several thousand workers through May.

INDUSTRY DEVELOPMENTS

Nonfarm Jobs Up Less Than Seasonally Expected

Nonagricultural wage and salary employment rose 3,300 over the month. The increase was less than normal for this time of year because of counterseasonal declines in logging, construction and other outdoor work. Between January and February last year, nonfarm payrolls jumped 12,400.

School Payrolls Rebound

Government civilian employment rose 5,500 in February; 3,500 of the increase was in public education. School payrolls typically rebound in February following December-January losses. Employment in education falls over the holiday vacation period when little hiring is done. In addition, several hundred support staff and student employees at colleges are laid off until the beginning of the new term.

Tax Season Here

Employment in the services group moved up 3,700 in February. Here, too, education accounted for much of the expansion as private schools and colleges added staff for the final half of the academic year. (Private schools are included in services, while public education employment is classified as government employment). Firms providing tax preparation services also hired several hundred employees in February and will continue to expand until the April tax deadline. In addition, long-term growth continued at temporary help agencies and in child care services.

Retail Store Jobs Fall Seasonally

Retail trade employment fell 4,000 to partially offset the expansions in services and government. Department, apparel and most other retail stores typically reduced employment following January sales and inventory work. Small increases were noted at restaurants and at building material stores to mark the beginning of their seasonal expansion. March and April will see the expansion pick-up speed and spread to other retail stores as well. Spring will push employment up at department and apparel stores with seasonal clothing promotions, and restaurants and gasoline stations will expand as improving weather encourages the public to travel more.

The approach of spring was already evident at wholesale houses where spring merchandise was being stocked. The employment increase in wholesale trade, however, was limited to 200 because of a seasonal cutback at fruit and vegetable warehouses.

Construction Falls Counterseasonally

Construction employment fell 2,200 between January and February counter to its normal seasonal trend because of adverse weather conditions in the latter month. The return of more moderate weather in March will undoubtedly see employment in the building trades begin its seasonal advance. Rising mortgage rates, however, have dampened the outlook in the homebuilding industry.

Higher Mortgage Rates Dampen Housing Outlook

In late March, adjustable rate mortgages tied to rates for one-year treasury notes rose to approximately 12.3 percent, their highest rate since March 1985 when their rate was about 12.4 percent. Meanwhile, fixed rate mortgages at around 11.7 percent were nearing their highest level in 2 1/2 years. In October 1987, the rate for fixed mortgages was 11.92 percent.

The surge in rates comes at a time homebuilding normally begins to expand seasonally. The higher rates may already be impacting the industry. Building permits for future construction, after seasonal adjustment, declined 3.8 percent nationally in January and 6.8 percent in February. Meanwhile, the sale of new homes (seasonally adjusted) in the nation fell 9.4 percent in February following an increase of 2.5 percent in January.

Manufacturing Employment Stable

Manufacturing employment (up 100) was little changed between January and February as gains were largely offset by weather-related losses. Aerospace added 700 to continue its expansion. Canneries, freezing plants and juice manufacturers added 200 to begin their seasonal expansion. Growth will accelerate in March when food processors begin work on asparagus from California.

On the downside, stone-clay-glass payrolls fell 300 because of less demand for sand and gravel from the weather affected construction industry. Adverse weather also slowed the shipbuilding industry where employment declined 300 from January. Lumber employment normally expands in February, but this year the weather did not cooperate, and it dipped 100 with most of the loss in logging.

Employment Up Substantially Over The Year

Although nonfarm employment rose less than seasonally expected in February, the total was up 90,600 or 4.9 percent over the year. Services alone added 25,700 jobs year to year. Medical services accounted for 5,100 of the new jobs. Growth in medical care payrolls has slipped below that of the overall service industry (3.9 versus 6.0 percent) as government and private insurers attempt to limit the increase in medical costs. Nevertheless, the need for medical services continues to grow because of an increasing elderly population.

Medical Care Jobs To Continue Growing

Persons aged 65 and over are one of the fastest growing segments of the state's population. Moreover, the older age groups in the age 65 and over population are showing the largest increases. Between 1980 and 1988, the state's population increased an average of 1.3 percent a year, but the population aged 65 and over rose 3.2 percent a year. And, while the number of persons aged 65 through 74 increased 21 percent between 1980 and 1988, individuals aged 75 through 84 grew by 32 percent and the number aged 85 and over jumped 33 percent. It is, of course, the older age groups who are most subject to chronic illnesses requiring long-term health care.

More Food Store Jobs

Retail trade (up 16,000) was the next largest source of new jobs over the year. Restaurants accounted for 6,800 of the new jobs, continuing to lead the growth in trade, but food stores added nearly 4,200 jobs. Employment, however, slipped over the year at apparel and department stores. Part of the expansion at grocery stores is undoubtedly due to growing in-migration because of the state's strong economy. The addition of clothing and other nontraditional products at larger food stores is also likely responsible. The expanded product lines of these stores may also be the reason for lower employment at apparel and department stores.

Exports Boost Manufacturing Jobs

Manufacturing, up 17,400 or 5.3 percent, continues to show heady growth despite numerous predictions to the contrary. And, not all of the growth has been in aerospace. Aerospace added 9,500 jobs over the year, but other manufacturing employment rose 7,900 or 3.5 percent. Strong export growth can be credited with a sizable portion of the job growth in manufacturing.

According to a U.S. Census Bureau report, slightly more than 20 percent, or one in five, of all manufacturing jobs in the state resulted from foreign exports in 1986. Next to Alaska, Washington State had the highest proportion of export-related jobs. Nationally, 12.6 percent of all manufacturing jobs depended upon exports or about one job in every eight.

Percent of Shipments Exported
By Industry, Washington State 1986

Industry	Percent
Transportation equipment including Aerospace	50
Lumber-Wood Products	26
Paper Products	21
Primary Metals including Aluminum	29
Machinery	30
Electrical-Electronic Equipment	32
Instruments	35

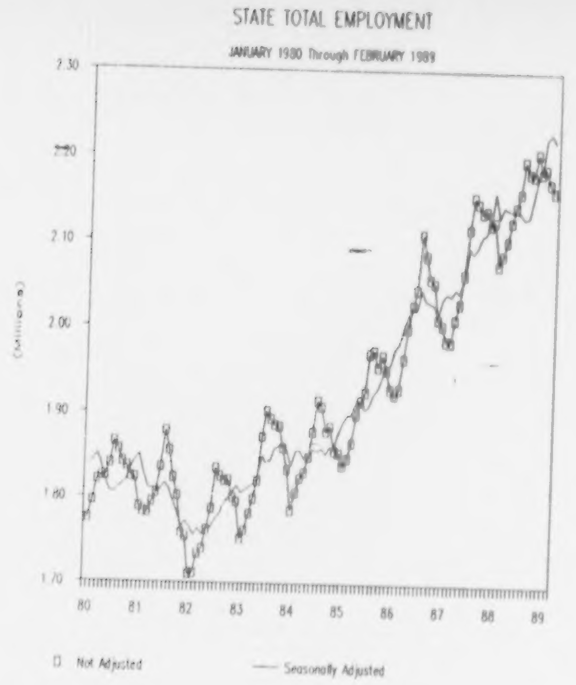
AREA TRENDS

Unemployment Down In Eastern Washington, Unchanged On West Side

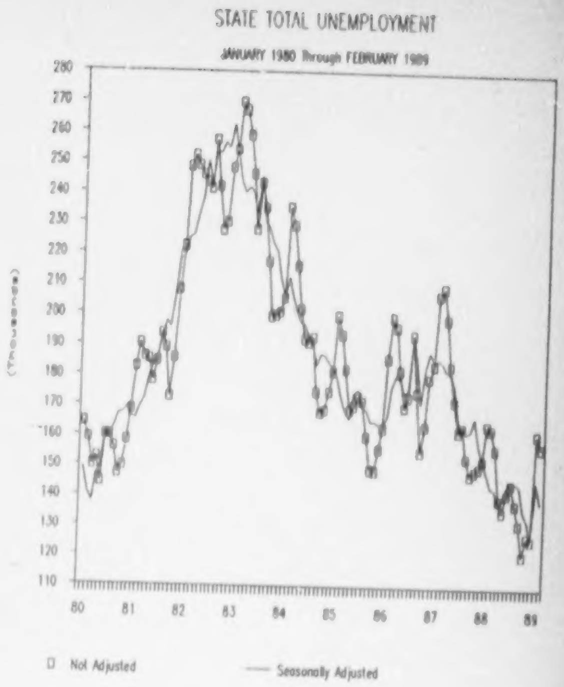
Changes in unemployment rates were mixed around the state between January and February. Overall, however, the rate fell from 10.7 to 10.0 in Eastern Washington despite a moderate decline in employment. Apparently many farm workers who lost jobs in February did not look for new employment. The chances of finding another farm job this February were slim at best because of weather conditions. Nonetheless, an individual must not only be without a job but actively seeking work to be counted as unemployed.

The jobless rate in Western Washington remained unchanged at 5.9 percent over the month. Rates were higher in counties where the lumber industry is of major importance, but the rate in the Seattle Metropolitan Area, which accounts for 45 percent of the state's workforce, slipped from 5.0 to 4.9 percent between January and February. Typical of the lumber counties were Grays Harbor, Pacific and Lewis. The rate in Grays Harbor jumped from 11.6 to 14.8 percent; Pacific County's rate rose from 10.1 to 12.8 percent, while the Lewis County rate moved up from 10.6 to 11.0 percent over the month.

Compared with February 1988, unemployment rates were generally lower. The rate in Western Washington fell from 6.4 to 5.9 percent over the twelve month period, while Eastern Washington saw its rate drop from 10.3 to 10.0 percent. In the state's lumber counties, however, the rate rose from 11.1 percent in February 1988 to 11.5 percent this February. The change likely reflects relative weather conditions: in February 1988 the weather was relatively mild compared to snow and subfreezing weather this February.


STATE TOTAL EMPLOYMENT

JANUARY 1980 Through FEBRUARY 1989


STATE TOTAL UNEMPLOYMENT

JANUARY 1980 Through FEBRUARY 1989

INDUSTRY NOTES

Apple Sales Fall

A report issued in early March by the National Resource Defense Council, a private organization, said that preschool-aged children exposed to Alar-treated apples had a one in 4,000 risk of developing cancer. Despite assurances from the Environmental Protection Agency and the Food and Drug Administration that parents and school officials have no reason to stop giving apples to children, orders and prices for Washington State apples declined sharply with nearly half of the year's crop yet to be sold.

Alar is a growth regulator which keeps apples on the tree longer and improves the color and firmness in red apples. Only about five percent of the nation's apples are sprayed with Alar, but a number of orders were cancelled and some schools temporarily suspended apple sales. Apple shipments from Washington State reportedly fell 300,000 boxes in the last two weeks of March and the price of the top grade of red apples declined about $2.00 per box.

To counter the adverse publicity, the Washington Apple Commission intends to spend $1.7 million for advertising to assure the public that apples are safe to eat. The commission is financed by apple growers. The commission is also considering a class-action law suit against the Natural Resources Defense Council.

Boeing Expansion to Continue

In March The Boeing Company predicted that it would add 2,300 workers to its workforce by July 1. Including the 2,700 workers already hired by the company this year this would mean a gain of 5,000 for the first half of 1989. Boeing expects its workforce to level off in the second half. The forecast does not include the 670 workers borrowed from Lockhead for a six-month period.

Boeing will also expand its facilities to keep up with its growing order backlog, which in March stood at 1,000 aircraft worth nearly $47 billion. Boeing will spend $430 million to expand its Renton plant and to upgrade equipment. The largest projects include a 315,100 square-foot final assembly building, a six-story parking garage, a wing painting building and a new noise-control fence. The projects are expected to be completed in three years.

$2 Billion More for Boeing

Underlining Boeing's need for more workers and expanded facilities, American Airlines placed an order in March for 25 Model 757 twin jets and 10 extended range 767-300 aircraft worth approximately $2 billion. The 757s will be delivered between November 1991 and November 1992, and the 767-300s will be delivered in 1992 and 1993.

American Airlines at the same time placed a $3 billion order for up to 150 smaller airliners from the Dutch manufacturer Fokker Aircraft B.V. One of the reasons Fokker received the order was that the Dutch manufacturer can deliver small jetliners much sooner than Boeing could. Production for Boeing's smallest jet, the 737-500, is booked well in advance.

On Timber, Sawmills Exports and Jobs

Some sawmills in the state, which depend upon timber from public land, may be in danger of closing because of competition from log exporters and reductions in the amount of federal forest land available for logging. Compounding the problem is that the economies of many smaller towns depend on the jobs at these mills. According to reports, 43 percent of all Washington-grown timber is now exported. Meanwhile, logging on more than 200,000 acres of federal land has been prohibited until the status of the spotted owl is determined. A decision that the spotted owl is endangered could result in even more acres being removed from the timber supply. A decision could be made by the U.S. Fish and Wildlife Service by June.

Proposed solutions to the problem include setting aside some state-owned forest land to supply logs to the smaller sawmills. The proposals, however, would not prevent the sawmills from exporting the logs themselves.

Port of Tacoma Docks More Business

The Port of Tacoma will be the port of entry for auto parts shipped from Korea to Hyundai Motor Company's new Canadian plant in Quebec. The Port of Tacoma was selected over the Port of Vancouver, B.C. because of Tacoma's efficient intermodel railyard and the port's direct service to Korea. Initially, 40 to 60 40-foot containers containing auto parts destined for the new Hyundai plant will move through the port. When the Hyundai plant reaches full production in 1992, Hyundai expects to ship 250 containers a week through Tacoma. Foreign-made parts are now shipped through the Port of Tacoma to several foreign-owned or joint venture automobile factories in the Midwest.

NATIONAL ECONOMIC INDICATORS

Data Suggest Economy May Be Slowing

A number of economic indicators have declined recently which suggests that the nation's seven-year economic expansion may be slowing. More moderate growth would be a positive development because it should ease the rate of inflation which has accelerated in recent months.

The producer price index rose a full percentage point in both January and February, the largest consecutive-month increase since 1981. The index measures changes in prices charged by producers of finished goods the first time they are sold. Some analysts believe the acceleration in inflation will encourage the Federal Reserve to push interest rates up further in order to slow the economy and, thus, inflation. Efforts by the Federal Reserve to dampen growth in the economy by limiting the availability of credit have already pushed short-term rates up three percentage points over the last year. In late February major banks raised their prime lending rate to 11.5 percent, the highest level in over four years. An increase in the prime rate is soon reflected in rates for business loans, home equity loans and personal loans. The danger, of course, is that if the central bank pushes interest rates too high, it will precipitate a recession.

National indicators declining in February included factory orders, industrial production and the industry operating rate. Reflecting higher mortgage rates, new home sales and building permits for future construction both fell in February. Also declining were retail sales and the purchasing managers' index.

Purchasing Agents Report Slower Order Growth

The monthly survey of 250 purchasing managers by the National Association of Purchasing Management in March found that new order growth was at its lowest level in almost four years. The purchasing managers' index, which measures new orders, production, vendor deliveries, inventory and employment, fell from 53 percent in February to 50.4 percent in March -- its lowest level since July 1986. An index reading of over 50 generally means the economy is still expanding.

Leading Indicator Index Falls

The Index of Leading Economic Indicators, the government's barometer of future economic activity, fell 0.3 percent in February following revised increases of 0.7 percent on January and 0.6 percent in December. Leading indicators contributing to the February decline were initial claims for unemployment compensation (increased), orders for consumer goods, the business delivery index, orders for plant and equipment, the durable goods backlog, the money supply, and the index of consumer expectations. Only two leading indicators advanced: sensitive material prices and stock market prices. The average workweek of manufacturing production workers was unchanged over the month.

CONSUMER PRICE INDEX
(All Items, Urban Consumers, 1982-1984=100)

	INDEXES			PERCENT CHANGE Year Ending	
	Feb. 1989	Jan. 1989	Feb. 1988	Feb. 1989	Jan. 1989
U.S. City Average	121.6	121.1	116.0	4.8	4.7
	Jul.-Dec. 1988	Jul.-Dec. 1987		Jul.-Dec. '87 to Jul.-Dec. '88	
Seattle*	113.8	110.3		3.2	

* The index for Seattle reflects prices in King, Pierce and Snohomish counties.
Source: U.S. Department of Labor, Bureau of Labor Statistics

Distressed Areas

A number of state programs are available to assist areas with high unemployment. Eligible areas are termed distressed. A county is classified as distressed if it had any average unemployment rate in the last three complete calendar years that was at least 20 percent above the statewide average. For the current year, the county classifications are based on unemployment data from January 1986 through December 1988. A county needed an average unemployment rate of at least 8.8 percent to qualify as distressed. The statewide average unemployment rate was 7.3 percent for the three year period. Benton County was added to the list this year. No counties were dropped.

Under legislation enacted last year a metropolitan area may qualify if its average unemployment rate in the last complete calendar year exceeded the statewide rate by 20 percent. Since the statewide average in 1988 was 6.2 percent, the qualifying rate was 7.4 percent. The Tri-Cities (Benton and Franklin counties) and Yakima metropolitan areas qualified under this legislation.

Distressed areas qualify for a variety of benefits, such as loans and grants to attract or retain businesses, financing infrastructure improvements, and matching funds to stimulate private investments. Firms building manufacturing plants in distressed areas are eligible for sales and use tax deferrals, and employers in these areas are eligible for special benefits for hiring unemployment insurance and public assistance recipients.

Three Year Average Unemployment Rates Used to Determine Distressed Areas 1/

	Three Year Average Unemployment Rate (Jan. 86 - Dec. 88)	Distressed Areas: Unemployment Rate Greater Than or Equal to **8.8 Percent**
WASHINGTON STATE	7.3	
Adams	**11.6**	Adams
Asotin	7.2	
Benton	**8.8**	Benton
Chelan	**11.3**	Chelan
Clallam	**9.2**	Clallam
Clark	7.4	
Columbia	**16.2**	Columbia
Cowlitz	**9.6**	Cowlitz
Douglas	**8.9**	Douglas
Ferry	**12.1**	Ferry
Franklin	**10.9**	Franklin
Garfield	7.3	
Grant	**11.0**	Grant
Grays Harbor	**11.2**	Grays Harbor
Island	5.7	
Jefferson	7.4	
King	5.6	
Kitsap	5.9	
Kittitas	**10.5**	Kittitas
Klickitat	**15.7**	Klickitat
Lewis	**10.7**	Lewis
Lincoln	6.1	
Mason	8.5	
Okanogan	**13.3**	Okanogan
Pacific	**10.5**	Pacific
Pend Oreille	**15.9**	Pend Oreille
Pierce	7.6	
San Juan	5.5	
Skagit	**10.7**	Skagit
Skamania	**18.7**	Skamania
Snohomish	6.4	
Spokane	7.3	
Stevens	**11.4**	Stevens
Thurston	7.2	
Wahkiakum	**10.7**	Wahkiakum
Walla Walla	8.6	
Whatcom	8.2	
Whitman	3.5	
Yakima	**11.9**	Yakima

1/ Data for 1987 and 1988 were revised in March 1989 incorporating updated information on industry employment.

1988 Annual Average Unemployment Rates For Metropolitan Statistical Areas Used to Determine Distressed Areas 1/

	1988 Annual Average Unemployment Rate (Jan. 88 - Dec. 88)	Distressed Areas: Unemployment Rate Greater Than or Equal to **7.4 Percent**
WASHINGTON STATE	6.2	-
Bellingham MSA	7.2	
Bremerton MSA	5.4	
Olympia MSA	6.3	
Seattle MSA	4.8	
Spokane MSA	6.1	
Tacoma MSA	6.3	
Tri-Cities MSA	**8.4**	Tri-Cities MSA
Vancouver PMSA	5.8	
Yakima MSA	**10.6**	Yakima MSA

1/ Data for 1987 and 1988 were revised in March 1989 incorporating updated information on industry employment.

NONAGRICULTURAL WAGE & SALARY WORKERS IN WASHINGTON STATE, PLACE OF WORK 1/

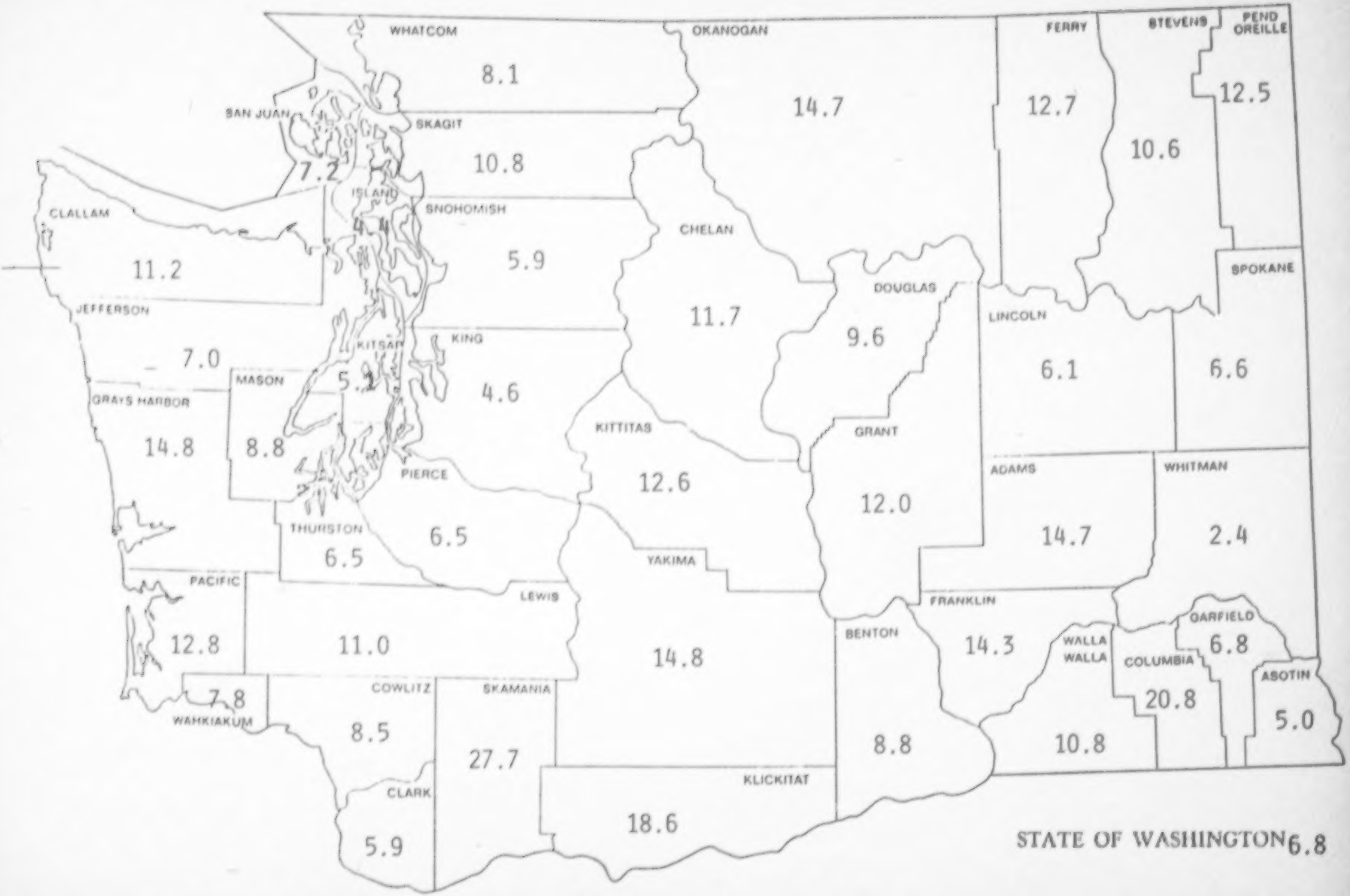
(In Thousands)

NOT SEASONALLY ADJUSTED Industry	February 1989 (PREL.)	January 1989 (REV.)	February 1988 (REV.)	January 1988 (REV.)	Numerical Change	
					Jan. 1989 to Feb. 1989	Feb. 1988 to Feb. 1989
TOTAL NONAG. WAGE AND SALARY	1,958.0	1,954.7	1,867.4	1,855.0	3.3	90.6
MANUFACTURING	344.2	344.1	326.8	325.3	0.1	17.4
Durable Goods	248.8	248.9	233.6	232.7	-0.1	15.2
Lumber and Wood Products	40.5	40.6	40.0	39.6	-0.1	0.5
Furniture and Fixtures	4.1	4.2	4.0	4.0	-0.1	0.1
Stone, Clay and Glass	6.9	7.2	6.9	6.7	-0.3	0.0
Primary Metals	13.1	13.2	12.2	12.3	-0.1	0.9
Aluminum	8.8	8.8	8.2	8.3	0.0	0.6
Fabricated Metals	10.9	11.0	10.3	10.5	-0.1	0.6
Machinery	33.0	33.0	30.8	30.5	0.0	2.2
Machinery (Except Electrical)	18.9	18.9	17.5	17.3	0.0	1.4
Electrical Equipment	14.1	14.1	13.3	13.2	0.0	0.8
Transportation Equipment	122.7	122.3	113.3	113.1	0.4	9.4
Aerospace	107.9	107.2	98.4	98.4	0.7	9.5
Other Transp. Equipment	14.8	15.1	14.9	14.7	-0.3	-0.1
Instruments and Related	11.8	11.7	11.1	11.0	0.1	0.7
Misc. Manufacturing	5.8	5.7	5.0	5.0	0.1	0.8
Nondurable Goods	95.4	95.2	93.2	92.6	0.2	2.2
Food and Kindred Products	30.7	30.6	29.7	29.5	0.1	1.0
Canned and Preserved Foods	10.2	10.0	9.6	9.3	0.2	0.6
Apparel and Allied Products	6.1	6.1	5.7	5.7	0.0	0.4
Paper and Allied Products	16.9	17.0	16.6	16.6	-0.1	0.3
Printing and Publishing	21.8	21.8	20.9	20.7	0.0	0.9
Chemicals and Allied Products	10.1	10.0	11.2	11.0	0.1	-1.1
Other Nondurable Goods 2/	9.8	9.7	9.1	9.1	0.1	0.7
MINING and QUARRYING	3.2	3.3	3.0	3.0	-0.1	0.2
CONSTRUCTION	89.1	91.3	84.0	83.2	-2.2	5.1
TRANSP.,COMM. and UTIL.	101.8	102.0	97.8	97.7	-0.2	4.0
WHOLESALE and RETAIL TRADE	475.2	479.0	452.9	454.5	-3.8	22.3
Wholesale Trade	116.2	116.0	109.9	109.2	0.2	6.3
Retail Trade	359.0	363.0	343.0	345.3	-4.0	16.0
FIN. INS. and REAL ESTATE	111.6	111.3	107.1	106.9	0.3	4.5
SERVICES	453.8	450.1	428.1	422.9	3.7	25.7
Health Services	135.6	135.5	130.5	129.8	0.1	5.1
GOVERNMENT	379.1	373.6	367.7	361.5	5.5	11.4
Federal	71.6	71.1	69.7	69.7	0.5	1.9
State and Local	307.5	302.5	298.0	291.8	5.0	9.5
Education	167.5	164.0	162.9	159.3	3.5	4.6
WORKERS IN LABOR-MANAGEMENT DISPUTES	0.0	0.0	0.0	0.0	0.0	0.0

1/ Excludes proprietors, self-employed, members of armed forces, and private household employees. Includes all full- and part-time wage and salary workers receiving pay during the pay period including the 12th of the month.

2/ Includes textile mill products, rubber and miscellaneous plastic products, petroleum refining and related products, and leather products.

3/ Workers excluded because of involvement in labor-management disputes.


WHATCOM 8.1
OKANOGAN 14.7
FERRY 12.7
STEVENS 10.6
PEND OREILLE 12.5
SAN JUAN 7.2
SKAGIT 10.8
ISLAND 4.4
SNOHOMISH 5.9
CLALLAM 11.2
CHELAN 11.7
DOUGLAS 9.6
SPOKANE 6.6
LINCOLN 6.1
JEFFERSON 7.0
KITSAP 5.1
KING 4.6
MASON 8.8
GRAYS HARBOR 14.8
KITTITAS 12.6
GRANT 12.0
ADAMS 14.7
WHITMAN 2.4
PIERCE 6.5
THURSTON 6.5
YAKIMA 14.8
PACIFIC 12.8
LEWIS 11.0
FRANKLIN 14.3
BENTON 8.8
WALLA WALLA 10.8
COLUMBIA 20.8
GARFIELD 6.8
ASOTIN 5.0
WAHKIAKUM 7.8
COWLITZ 8.5
SKAMANIA 27.7
CLARK 5.9
KLICKITAT 18.6
STATE OF WASHINGTON 6.8

Washington State
Employment Security Department
Labor Market and Economic Analysis Branch

RESIDENT LABOR FORCE AND EMPLOYMENT IN WASHINGTON STATE AND LABOR MARKET AREAS

(Not Seasonally Adjusted)

DATE 4/4/89
Benchmark: 1988

	FEBRUARY 1989 PRELIMINARY 1/				JANUARY 1989 REVISED 1/				FEBRUARY 1988 REVISED 1/			
	Labor Force	Employment	Unemployment	Unemp. Rate	Labor Force	Employment	Unemployment	Unemp. Rate	Labor Force	Employment	Unemployment	Unemp. Rate
Washington State total	2,318,900	2,161,500	157,400	6.8	2,333,100	2,171,400	161,700	6.9	2,250,400	2,087,100	163,300	7.3
Bellingham MSA	57,900	53,200	4,700	8.1	58,500	53,500	5,000	8.5	57,400	52,300	5,100	8.9
Bremerton MSA	76,100	72,200	3,900	5.1	76,400	72,400	4,000	5.2	74,200	69,700	4,500	6.1
Olympia MSA	78,200	73,100	5,100	6.5	77,500	72,600	4,900	6.3	74,500	69,400	5,100	6.8
Seattle PMSA	1,051,200	1,000,000	51,200	4.9	1,057,300	1,004,500	52,800	5.0	1,009,400	955,100	54,300	5.4
King County 2/	829,900	791,800	38,100	4.6	834,900	795,300	39,600	4.7	797,300	756,200	41,100	5.2
Snohomish County 2/	221,300	208,200	13,100	5.9	222,300	209,100	13,200	5.9	212,100	198,800	13,300	6.3
Spokane MSA	167,000	156,000	11,000	6.6	167,500	156,000	11,500	6.9	164,800	152,700	12,100	7.3
Tacoma PMSA	248,000	231,900	16,100	6.5	248,400	232,900	15,500	6.2	238,900	222,200	16,700	7.0
Tri-Cities MSA	64,400	57,900	6,500	10.1	64,800	58,100	6,700	10.3	65,700	59,200	6,500	9.9
Benton County 2/	49,100	44,800	4,300	8.8	49,400	44,900	4,500	9.1	50,300	45,800	4,500	8.9
Franklin County 2/	15,400	13,200	2,200	14.3	15,500	13,200	2,300	14.8	15,500	13,500	2,000	12.9
Vancouver PMSA	115,200	108,400	6,800	5.9	115,600	109,000	6,600	5.7	112,100	104,300	7,800	7.0
Yakima MSA	87,600	74,600	13,000	14.8	90,600	76,100	14,500	16.0	86,900	74,400	12,500	14.4
Adams	6,210	5,300	910	14.7	6,770	4,940	1,830	27.0	5,900	5,020	880	14.9
Asotin	9,340	8,870	470	5.0	9,400	8,880	520	5.5	8,720	8,100	620	7.1
Clallam	22,400	19,900	2,500	11.2	22,480	20,090	2,390	10.6	21,990	19,860	2,130	9.7
Columbia	1,730	1,370	360	20.8	1,700	1,340	360	21.2	1,770	1,360	410	23.2
Cowlitz	35,240	32,230	3,010	8.5	35,810	32,810	3,000	8.4	34,930	31,950	2,980	8.5
Ferry	2,680	2,340	340	12.7	2,710	2,360	350	12.9	2,730	2,290	440	16.1
Garfield	1,030	960	70	6.8	1,050	980	70	6.7	1,010	940	70	6.9
Grant	22,490	19,800	2,690	12.0	22,370	19,450	2,920	13.1	22,260	19,330	2,930	13.2
Grays Harbor	25,680	21,890	3,790	14.8	25,240	22,320	2,920	11.6	25,720	22,870	2,850	11.1
Island	19,120	18,270	850	4.4	19,350	18,410	940	4.9	18,530	17,450	1,080	5.8
Jefferson	8,050	7,490	560	7.0	8,220	7,630	590	7.2	7,540	6,970	570	7.6
Kittitas	11,610	10,150	1,460	12.6	11,630	10,180	1,450	12.5	12,270	10,630	1,640	13.4
Klickitat	7,330	5,970	1,360	18.6	7,620	6,020	1,600	21.0	7,270	5,860	1,410	19.4
Lewis	25,190	22,420	2,770	11.0	25,200	22,530	2,670	10.6	23,730	21,210	2,520	10.6
Lincoln	4,120	3,870	250	6.1	4,130	3,890	240	5.8	4,140	3,850	290	7.0
Mason	12,900	11,760	1,140	8.8	12,890	11,840	1,050	8.1	12,870	11,660	1,210	9.4
Okanogan	15,210	12,970	2,240	14.7	15,510	13,110	2,400	15.5	15,460	13,090	2,370	15.3
Pacific	7,490	6,530	960	12.8	7,300	6,560	740	10.1	6,770	6,110	660	9.7
Pend Oreille	3,350	2,930	420	12.5	3,380	2,940	440	13.0	3,020	2,580	440	14.6
San Juan	4,590	4,260	330	7.2	4,570	4,250	320	7.0	4,500	4,170	330	7.3
Skagit	31,620	28,190	3,430	10.8	31,860	28,110	3,750	11.8	31,890	27,980	3,910	12.3
Skamania	2,350	1,700	650	27.7	2,320	1,630	690	29.7	2,500	1,880	620	24.8
Stevens	11,780	10,530	1,250	10.6	11,660	10,470	1,190	10.2	11,180	10,030	1,150	10.3
Wahkiakum	1,160	1,070	90	7.8	1,170	1,060	110	9.4	1,220	1,120	100	8.2
Walla Walla	23,400	20,870	2,530	10.8	23,570	21,020	2,550	10.8	23,170	20,640	2,530	10.9
Wenatchee Labor Area	38,300	34,080	4,220	11.0	39,930	35,330	4,600	11.5	37,020	32,960	4,060	11.0
Chelan County 2/	25,850	22,820	3,030	11.7	26,960	23,660	3,300	12.2	24,970	22,070	2,900	11.6
Douglas County 2/	12,450	11,260	1,190	9.6	12,970	11,670	1,300	10.0	12,050	10,890	1,160	9.6
Whitman	18,870	18,410	460	2.4	18,760	18,170	590	3.1	18,410	17,870	540	2.9

1/ Official U.S. Department of Labor, Bureau of Labor Statistics data.
2/ Estimates are determined by using the Population/Claims Share disaggregation methodology.
Note: Detail may not add due to rounding

ESTIMATED AVERAGE HOURS AND EARNINGS OF PRODUCTION WORKERS IN MANUFACTURING AND OF NONSUPERVISORY WORKERS IN NONMANUFACTURING ACTIVITIES, STATE OF WASHINGTON

	Prelim Feb Production Workers/ Nonsupervisory Workers	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
		Feb-89	Jan-89	Feb-88	Feb-89	Jan-89	Feb-88	Feb-89	Jan-89	Feb-88
TOTAL MANUFACTURING INDUSTRIES*	203.327	$489.90	$494.88	$477.17	39.7	40.3	40.2	$12.34	$12.28	$11.87
SELECTED MANUFACTURING INDUSTRIES										
Lumber and Wood Products	34.130	$382.24	$444.57	$429.66	35.1	39.8	39.6	$10.89	$11.17	$10.85
Primary Metal Industries	9.913	$550.83	$542.69	$544.10	43.0	42.2	44.2	$12.81	$12.86	$12.31
Fabricated Metal Products	8.537	$459.82	$455.52	$435.10	39.1	39.0	38.2	$11.76	$11.68	$11.39
Machinery	21.434	$370.37	$376.53	$374.77	38.5	39.1	39.7	$9.62	$9.63	$9.44
Food and Kindred Products	22.403	$372.62	$366.55	$343.40	37.6	36.4	36.3	$9.91	$10.07	$9.46
Chemical and Allied Products	4.123	$679.10	$626.34	$611.18	39.3	39.0	40.8	$17.28	$16.06	$14.98
Transportation Equipment	56.747	$635.80	$631.28	$617.38	44.0	43.9	43.6	$14.45	$14.38	$14.16
SELECTED NONMANUFACTURING INDUSTRIES										
Construction	61.354	$596.01	$590.06	$574.06	36.1	36.2	35.7	$16.51	$16.30	$16.08
Wholesale and Retail Trade (does not include eating and drinking establishments)	292.706	$313.95	$319.13	$297.04	32.5	32.9	31.6	$9.66	$9.70	$9.40

* Average hourly earnings for all manufacturing production workers reported in this table do not exactly reflect the official US Bureau of Labor Statistics definition of "wages." While these data still constitute a valid economic indicator series, they should not be used at this time for the negotiation of contracts whose monetary provisions may depend upon official US Bureau of Labor Statistics hourly earning data.

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Washington LABOR MARKET

JOB SERVICE

Washington State
Employment Security

Isiah Turner
Commissioner

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Economic Analysis Branch
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Gary Bodeutsch
Director

In cooperation with the
Employment and Training
Administration
U.S. Department of Labor

April 1989

Highlights

March Comes In Like A Large Carnivorous Feline

Despite the veritable instant replay of February's snowstorm, March proved to be much more conducive to job growth in Washington state. Unlike February, the weather moderated towards mid-month spurring traditional outdoor activities. The number of unemployed fell by 10,500 and the jobless rate declined one-half a percentage point to reach 6.3 percent; one has to search back 20 years to find a comparable February figure.

Resident employment jumped 39,700 between February and March and 98,600 since last March. Roughly half of the monthly gain can be tied to typical monthly employment patterns, the remainder resulted from solid economic growth. Even agricultural activity rebounded, but not without concern for crop damage that resulted from this winter's two major storms.

Volume 13, Number 4

	Mar. 1989 (Prel.)	Feb. 1989 (Rev.)	Mar. 1988
Civilian Labor Force	2,350,800	2,321,600	2,260,600
Total Employment	2,202,500	2,162,800	2,103,900
Total Unemployment	148,300	158,800	156,700
State Unemployment Rate	6.3%	6.8%	6.9%
National Civilian Unemployment Rate	5.2%	5.6%	5.9%

INDUSTRY DEVELOPMENTS

Services Dominate Growth

Nonagricultural wage and salary employment rose 20,800 between February and March. Over one-quarter of this gain was in the services division. Both business and health services continued to show strength. Within business services the strongest showing was in personnel supply firms. Many businesses prefer temporary workers to fill their short-term needs. In addition, many workers prefer the greater flexibility of working for a number of businesses through such firms. Growth of health care payrolls has slowed relative to historical trends, but is still strong relative to other industries. In keeping with current trends, over 80 percent of new health care jobs created in March were in non-hospital establishments.

Trade On Track

Wholesale and retail trade rebounded after its post-holiday slump in February. Higher interest rates have yet to work their way down to the consumer level - when they do we might see a slowdown in consumer purchases and employment growth. Much of the increase in retail jobs appears to be across-the-board except for apparel and accessory stores - continued expansion of "warehouse" type outlets could be taking some customers away from traditional merchants. Building supply retailers also bounced back from the unusually slow February.

Of course eating and drinking establishments lead all retail industries in new jobs added. An interesting development within the restaurant business is the current effort to attract the now-elusive young workers; multimedia advertising to recruit workers, higher wages and increased benefits are now commonplace.

Construction On The Bubble?

Construction activity also reported a healthy over-the-month surge. Again, March represented the return to a more normal level of activity following the unusual snow-and-cold slowdown in February. Though March was extremely wet, the rainy conditions were not as detrimental to construction as were the previous month's freezing conditions. In a related industry - stone-clay-glass products - concrete and redi-mix firms added workers to keep up with the construction activity.

Watch out for a modest construction slowdown resulting from higher interest. Rates have climbed steadily for the past several months. At this point the the Federal Home Loan Mortgage Corporation backed fixed rate mortgages are up to 10.9 percent. Though many economists feel the surge will be short-lived, the primary function of the rising rates is to slow economic activity and thereby squelch inflationary expectations.

Education Tops Government

Government payroll jumped during March, particularly among nonclassified staff at local education facilities. Teachers are considered employed year-round, so much of the month-to-month fluctuation at school districts is a result of demand for those in nonteaching positions.

Goods Doing Well

Manufacturing continued to show some depth beyond the now-expected aerospace gains. Over half of the February to March increases were in industries other than aerospace. Once the trees thawed, logging operations resumed, as did other wood products activities. Even though regional residential construction markets are soft, demand for logs is still strong on the export side of the equation.

Plenty Of Paper Gives Cause For Pause

In a move countering long-term trends, paper and allied products recorded a job loss between February and March. Both political campaigns and Christmas gift wrapping can explain the unusually high cyclical and seasonal demand of last quarter. At this point there has also been talk of a newsprint glut in the paper markets adding to the downward pressure on paper manufacturing payrolls.

Food products firms averaged a positive over-the-month gain, however the detail was mixed. Meat products establishments felt a drop in demand while fruit and vegetable canning operations and fish and seafood producers increased staff.

Workers Counted Elsewhere

Though employment in Aerospace climbed another 1,200 by official counts, the actual increase was much greater. Because Boeing borrowed 670 workers from Lockheed, they have not been picked up in official tallies as they are still officially on-payroll at Lockheed.

Manufacturing Keeps Pace

Total wage and salary employment grew 5 percent in Washington from last March. In a move counter to trends of the last decade, manufacturing, registering a 5.4 percent gain, outpaced the industry-wide average. As you probably suspected, it was aerospace pulling up the average by posting a 10.6 percent over-the-year surge. Other transportation equipment has not fared near as well as aerospace. While many area boatbuilders pride themselves on selling their products to the upper-end of the market, it looks as though rising interest rates have taken a toll, at least in the near-term. Machinery payrolls, up 7.4 percent, also surpassed the average. Thanks to increased plant capacity nationwide, and a more competitively valued dollar on foreign exchange markets, the demand for both electrical and non-electrical machinery has rebounded.

Potlines On-line

Primary metals is also grabbing onto the coattails of a favorable dollar; jobs on the potlines and at the mills have reported a 6.5 percent increase over the year.

Predictions Premature

The only manufacturing industry to display long-term weakness is chemicals and allied products. Though some of the early precipitous predictions of job-losses from the N-Reactor closure have proven to be premature, the long-term picture still looks a tad bleak. The most telling development about the predictions is that the WPPSS shut-down of the early 80s' was used as a model to estimate increased unemployment insurance claims and welfare caseloads. However, many of those released as a result of the N-Reactor closure were highly trained professional and technical workers with easily marketable skills. They were given plenty of warning, and the economy was booming.

The WPPSS shutdown involved craft and construction workers, given virtually no official warning, and the economy was in a recession. As a result, last year's expected increased demand on Tri-Cities social services agencies never arose.

AREA TRENDS

March Back In Line

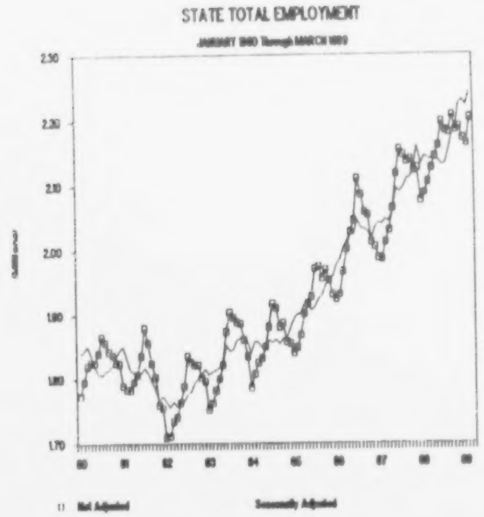
Because Washington's unusually severe February weather pushed up the jobless rate an unusual amount, it is no surprise that the March unemployment rate fell one-half a percentage point. However, several labor market areas did not keep in step with the state average. The north central and northeast labor areas (Wenatchee, Okanogan, Stevens, Ferry and Pend Oreille) all recorded increased joblessness between February and March. In four of these areas, resident employment did improve in March; apparently more workers entered these labor markets than could be readily absorbed.

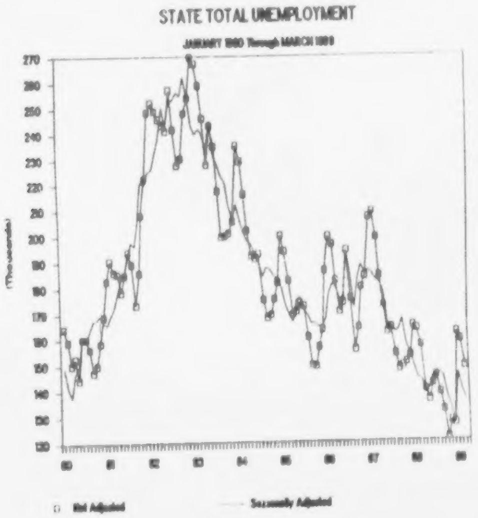
A Rising Tide Raises All Boats

Despite the below average showing of the aforementioned areas, the average jobless rate east of the mountains fell a dramatic eight-tenths of a point to reach 9.3 percent. On the west side of the state, unemployment fell an average five-tenths of a point to 5.5 percent.

Bird Yes, Loggers No...

Areas with a high concentration of logging and lumber jobs have had a much higher jobless rate - 10 percent in March. With the Spotted Owl controversy coming to a head, and concerns over the closure of selected forest regions to logging, these rates could be much higher in the near future.





Metro Areas On A Fast Track

If you can handle the traffic, the Seattle area is the place to be - reporting only 4.6 percent unemployment in March, the lowest rate amongst the metropolitan areas. The Bremerton MSA, with its plethora of military installations, posted a 5.1 percent rate - the second lowest metropolitan rate. The average jobless rate for all metro areas fell four-tenths of a point over the month to average 5.7 percent.

INDUSTRY NOTES

Boeing Battles Budget

While Boeing continues to benefit from high demand for new jetliners to replace aging airline fleets, they are also having to grapple with military cutbacks. Two helicopter projects - the Osprey tilt-rotor aircraft and the advanced LHX helicopter are likely candidates to be cut back or canceled. In order for the Federal government to meet its budget goals it has had to cut $6.3 billion from the 1990 defense budget. It is such events that are leading to a major strategy re-evaluation at Boeing; their military business has not been as profitable as has their commercial aircraft operations.

Boeing Has "Luck O The Irish"

On the plus side, in April Boeing landed the largest jetliner order ever - 182 planes worth $9.4 billion - from GPA Ltd., an Irish leasing company. Boeing's backlog of orders now stands at 1,324 planes valued at $64 billion.

PACCAR Grabs 1st Place

Another of Washington's transportation equipment manufacturers is also starting to display some dominance. PACCAR, builder of Kenworth and Peterbilt heavy trucks, sold 8,328 trucks in the first three months of 1989. Not only did they capture 23.9 percent of the market, but they wrested 1st place in sales away from Navistar, their nearest rival.

NATIONAL ECONOMIC INDICATORS

Pace Slows

Though nonfarm employment in Washington increased 5 percent over the year, at the national level wage and salary employment grew 2.7 percent. While the national economy has showed signs of slowing, in comparison the Washington economy appears to be going strong.

Future Appears Slower

This slowing is expected to continue in the coming months. The Index of Leading Indicators, the government principal economic forecasting gauge, fell in March - the second month in a row. The conventional wisdom says that a three consecutive month decline is the sign of a recession. Nine of the 11 components in the index fell in March; only plant and equipment orders and materials prices were positive.

Cheaper Here

It appears that first-time homebuyers in the Seattle-Tacoma area pay about $200 less per month than the U.S. average. According to a survey of 18 housing markets across the country by Chicago Title and Trust Co., Seattle-Tacoma homebuyers pay an average $729 per month compared with the national average of $929. In addition, local buyers needed less time to save for a down payment.

CONSUMER PRICE INDEX
(All Items, Urban Consumers, 1982-1984=100)

	INDEXES			PERCENT CHANGE Year Ending	
	Mar. 1989	Feb. 1989	Mar. 1988	Mar. 1989	Feb. 1989
U.S. City Average	122.3	121.6	116.5	5.0	4.8
	July-Dec. 1988	July-Dec. 1987		July-Dec. '87 to July-Dec. '88	
Seattle*	113.8	110.3		3.2	

* The index for Seattle reflects prices in King, Pierce and Snohomish counties.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NONAGRICULTURAL WAGE & SALARY WORKERS IN WASHINGTON STATE, PLACE OF WORK 1/

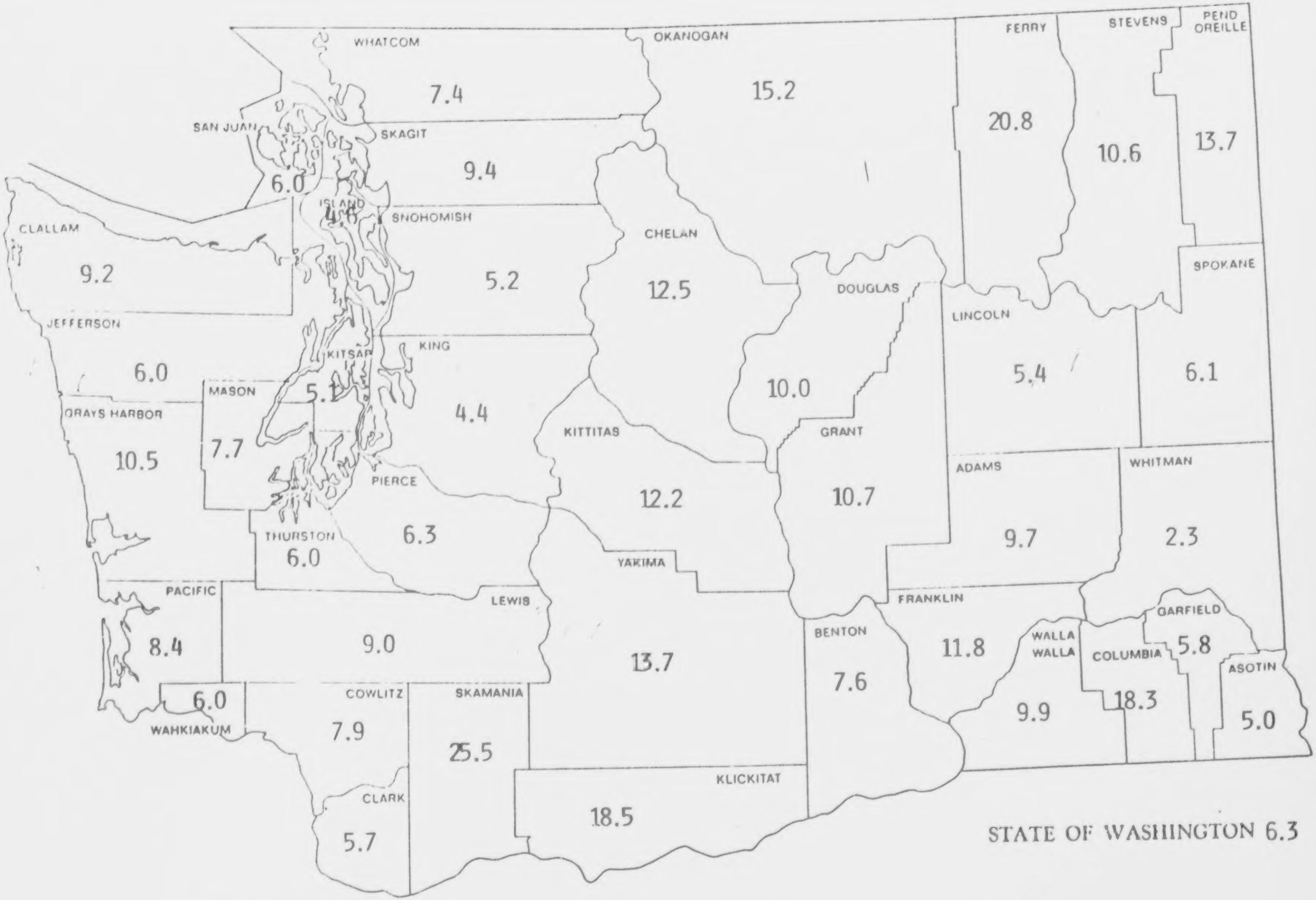
(In Thousands)

NOT SEASONALLY ADJUSTED Industry	March 1989 (PREL.)	February 1989 (REV.)	March 1988 (REV.)	February 1988 (REV.)	Numerical Change Feb. 1989 to Mar 1989	Numerical Change Mar 1988 to Mar 1989
TOTAL NONAG. WAGE AND SALARY	1,981.6	1,960.8	1,886.5	1,867.4	20.8	95.1
MANUFACTURING	347.3	344.8	329.6	326.8	2.5	17.7
Durable Goods	251.8	249.6	234.8	233.6	2.2	17.0
Lumber and Wood Products	41.3	40.8	40.2 3/	40.0	0.5	1.1
Furniture and Fixtures	4.2	4.2	4.1	4.0	0.0	0.1
Stone, Clay and Glass	7.3	7.1	7.2	6.9	0.2	0.1
Primary Metals	13.2	13.2	12.4	12.2	0.0	0.8
Aluminum	8.8	8.8	8.4	8.2	0.0	0.4
Fabricated Metals	11.0	11.0	10.3	10.3	0.0	0.7
Machinery	33.3	33.0	31.0	30.8	0.3	2.3
Machinery (Except Electrical)	19.1	18.9	17.7	17.5	0.2	1.4
Electrical Equipment	14.2	14.1	13.3	13.3	0.1	0.9
Transportation Equipment	123.9	122.8	113.3	113.3	1.1	10.6
Aerospace	109.1	107.9	98.6	98.4	1.2	10.5
Other Transp. Equipment	14.8	14.9	14.7	14.9	-0.1	0.1
Instruments and Related	11.8	11.8	11.2	11.1	0.0	0.6
Misc. Manufacturing	5.8	5.7	5.1	5.0	0.1	0.7
Nondurable Goods	95.5	95.2	94.8	93.2	0.3	0.7
Food and Kindred Products	30.8	30.5	30.7	29.7	0.3	0.1
Canned and Preserved Foods	10.2	10.1	10.2	9.6	0.1	0.0
Apparel and Allied Products	6.1	6.1	5.9	5.7	0.0	0.2
Paper and Allied Products	16.7	16.9	16.7	16.6	-0.2	0.0
Printing and Publishing	21.9	21.8	21.0	20.9	0.1	0.9
Chemicals and Allied Products	10.1	10.1	11.2	11.2	0.0	-1.1
Other Nondurable Goods 2/	9.9	9.8	9.3	9.1	0.1	0.6
MINING and QUARRYING	3.4	3.2	3.2	3.0	0.2	0.2
CONSTRUCTION	95.0	90.6	87.2	84.0	4.4	7.8
TRANSP.,COMM. and UTIL.	102.9	102.2	98.8	97.8	0.7	4.1
WHOLESALE and RETAIL TRADE	479.8	475.3	457.6 3/	452.9	4.5	22.2
Wholesale Trade	116.8	116.2	111.5	109.9	0.6	5.3
Retail Trade	363.0	359.1	346.1 3/	343.0	3.9	16.9
FIN. INS. and REAL ESTATE	112.2	111.6	107.8	107.1	0.6	4.4
SERVICES	460.0	454.7	433.7	428.1	5.3	26.3
Health Services	137.1	136.0	132.1	130.5	1.1	5.0
GOVERNMENT	381.0	378.4	368.6	367.7	2.6	12.4
Federal	71.3	71.1	70.1	69.7	0.2	1.2
State and Local	309.7	307.3	298.5	298.0	2.4	11.2
Education	168.9	167.4	163.6	162.9	1.5	5.3
WORKERS IN LABOR-MANAGEMENT DISPUTES	0.0	0.0	0.2	0.0	0.0	-0.2

1/ Excludes proprietors, self-employed, members of armed forces, and private household employees. Includes all full- and part-time wage and salary workers receiving pay during the pay period including the 12th of the month.

2/ Includes textile mill products, rubber and miscellaneous plastic products, petroleum refining and related products, and leather products.

3/ Workers excluded because of involvement in labor-management disputes.


WHATCOM
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PEND OREILLE
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SAN JUAN
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SKAGIT
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ISLAND
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SNOHOMISH
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CLALLAM
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CHELAN
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DOUGLAS
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LINCOLN
5.4
SPOKANE
6.1
JEFFERSON
6.0
KITSAP
5.1
KING
4.4
MASON
7.7
GRAYS HARBOR
10.5
KITTITAS
12.2
GRANT
10.7
ADAMS
9.7
WHITMAN
2.3
PIERCE
6.3
THURSTON
6.0
YAKIMA
13.7
PACIFIC
8.4
LEWIS
9.0
BENTON
7.6
FRANKLIN
11.8
WALLA WALLA
9.9
COLUMBIA
18.3
GARFIELD
5.8
ASOTIN
5.0
WAHKIAKUM
6.0
COWLITZ
7.9
SKAMANIA
25.5
KLICKITAT
18.5
CLARK
5.7

STATE OF WASHINGTON 6.3

Washington State
Employment Security Department
Labor Market and Economic Analysis Branch

DATE 5/2/89
Benchmark: 1988

RESIDENT LABOR FORCE AND EMPLOYMENT IN WASHINGTON STATE AND LABOR MARKET AREAS

(Not Seasonally Adjusted)

	MARCH 1989 PRELIMINARY 1/				FEBRUARY 1989 REVISED 1/				MARCH 1988 REVISED 1/			
	Labor Force	Employment	Unemployment	Unemp. Rate	Labor Force	Employment	Unemployment	Unemp. Rate	Labor Force	Employment	Unemployment	Unemp. Rate
Washington State total	2,350,800	2,202,500	148,300	6.3	2,321,600	2,162,800	158,800	6.8	2,260,600	2,103,900	156,700	6.9
Bellingham MSA	59,600	55,200	4,400	7.4	58,100	53,300	4,800	8.3	58,400	53,600	4,800	8.2
Bremerton MSA	77,200	73,300	3,900	5.1	76,300	72,300	4,000	5.2	74,500	70,000	4,500	6.0
Olympia MSA	78,700	74,000	4,700	6.0	77,900	72,700	5,200	6.7	74,400	69,500	4,900	6.6
Seattle PMSA	1,063,800	1,015,100	48,700	4.6	1,051,900	1,000,400	51,500	4.9	1,013,700	959,500	54,200	5.3
King County 2/	840,900	803,700	37,200	4.4	830,400	792,100	38,300	4.6	800,900	759,700	41,200	5.1
Snohomish County 2/	222,800	211,300	11,500	5.2	221,500	208,300	13,200	6.0	212,800	199,800	13,000	6.1
Spokane MSA	169,700	159,400	10,300	6.1	167,100	156,100	11,000	6.6	165,000	153,600	11,400	6.9
Tacoma PMSA	250,800	235,100	15,700	6.3	248,400	232,200	16,200	6.5	238,800	222,500	16,300	6.8
Tri-Cities MSA	65,100	59,500	5,600	8.6	64,500	58,000	6,500	10.1	65,800	59,700	6,100	9.3
Benton County 2/	49,800	46,000	3,800	7.6	49,000	44,800	4,200	8.6	50,400	46,100	4,300	8.5
Franklin County 2/	15,300	13,500	1,800	11.8	15,400	13,200	2,200	14.3	15,400	13,600	1,800	11.7
Vancouver PMSA	117,500	110,800	6,700	5.7	115,400	108,600	6,800	5.9	112,800	105,700	7,100	6.3
Yakima MSA	88,200	76,100	12,100	13.7	88,200	74,900	13,300	15.1	87,800	76,600	11,200	12.8
Adams	6,320	5,710	610	9.7	6,200	5,360	840	13.5	6,110	5,380	730	11.9
Asotin	9,390	8,920	470	5.0	8,940	8,470	470	5.3	8,850	8,260	590	6.7
Clallam	22,350	20,290	2,060	9.2	22,440	19,920	2,520	11.2	22,190	20,210	1,980	8.9
Columbia	1,910	1,560	350	18.3	1,730	1,370	360	20.8	2,020	1,630	390	19.3
Cowlitz	35,360	32,560	2,800	7.9	35,110	32,170	2,940	8.4	35,260	32,370	2,890	8.2
Ferry	2,930	2,320	610	20.8	2,790	2,340	450	16.1	2,640	2,210	430	16.3
Garfield	1,040	980	60	5.8	1,040	960	80	7.7	990	920	70	7.1
Grant	22,870	20,420	2,450	10.7	22,490	19,650	2,840	12.6	22,900	19,990	2,910	12.7
Grays Harbor	25,080	22,440	2,640	10.5	25,770	21,970	3,800	14.7	25,660	23,210	2,450	9.5
Island	19,730	18,830	900	4.6	19,340	18,370	970	5.0	18,770	17,820	950	5.1
Jefferson	8,200	7,710	490	6.0	8,060	7,500	560	6.9	7,690	7,180	510	6.6
Kittitas	11,680	10,250	1,430	12.2	11,600	10,150	1,450	12.5	11,920	10,360	1,560	13.1
Klickitat	7,670	6,250	1,420	18.5	7,300	6,000	1,300	17.8	7,350	6,030	1,320	18.0
Lewis	25,220	22,940	2,280	9.0	25,330	22,550	2,780	11.0	23,810	21,500	2,310	9.7
Lincoln	4,230	4,000	230	5.4	4,220	3,980	240	5.7	4,080	3,840	240	5.9
Mason	13,030	12,030	1,000	7.7	12,930	11,770	1,160	9.0	12,780	11,780	1,000	7.8
Okanogan	15,980	13,550	2,430	15.2	15,330	13,040	2,290	14.9	15,680	13,260	2,420	15.4
Pacific	7,380	6,760	620	8.4	7,520	6,560	960	12.8	6,820	6,240	580	8.5
Pend Oreille	3,440	2,970	470	13.7	3,340	2,930	410	12.3	3,050	2,550	500	16.4
San Juan	4,860	4,570	290	6.0	4,610	4,270	340	7.4	4,760	4,470	290	6.1
Skagit	32,860	29,780	3,080	9.4	31,760	28,240	3,520	11.1	32,820	29,250	3,570	10.9
Skamania	2,670	1,990	680	25.5	2,370	1,700	670	28.3	2,560	2,140	420	16.4
Stevens	12,040	10,760	1,280	10.6	11,660	10,530	1,130	9.7	11,410	10,060	1,350	11.8
Wahkiakum	1,170	1,100	70	6.0	1,180	1,080	100	8.5	1,240	1,130	110	8.9
Walla Walla	23,810	21,450	2,360	9.9	23,360	20,890	2,470	10.6	23,250	20,940	2,310	9.9
Wenatchee Labor Area	39,260	34,660	4,600	11.7	38,560	34,130	4,430	11.5	36,920	33,040	3,880	10.5
Chelan County 2/	26,540	23,210	3,330	12.5	25,990	22,860	3,130	12.0	25,390	22,130	3,260	12.8
Douglas County 2/	12,720	11,450	1,270	10.0	12,580	11,280	1,300	10.3	11,540	10,920	620	5.4
Whitman	19,690	19,230	460	2.3	18,880	18,420	460	2.4	17,920	17,400	520	2.9

1/ Official U.S. Department of Labor, Bureau of Labor Statistics data.
2/ Estimates are determined by using the Population/Claims Share disaggregation methodology.
Note: Detail may not add due to rounding

ESTIMATED AVERAGE HOURS AND EARNINGS OF PRODUCTION WORKERS IN MANUFACTURING AND OF NONSUPERVISORY WORKERS IN NONMANUFACTURING ACTIVITIES. STATE OF WASHINGTON

	Prelim Mar Production Workers/ Nonsupervisory Workers	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
		Mar-89	Feb-89	Mar-88	Mar-89	Feb-89	Mar-88	Mar-89	Feb-89	Mar-88
TOTAL MANUFACTURING INDUSTRIES*	205.444	$502.65	$491.13	$476.37	40.7	39.8	40.2	$12.35	$12.34	$11.85
SELECTED MANUFACTURING INDUSTRIES										
Lumber and Wood Products	34,884	$435.44	$387.28	$415.64	38.5	35.4	38.7	$11.31	$10.94	$10.74
Primary Metal Industries	10.122	$555.90	$549.98	$557.76	43.6	42.9	44.8	$12.75	$12.82	$12.45
Fabricated Metal Products	8.668	$471.55	$458.63	$442.57	40.2	39.3	39.2	$11.73	$11.67	$11.29
Machinery	21,919	$381.60	$374.23	$378.68	39.3	38.7	40.2	$9.71	$9.67	$9.42
Food and Kindred Products	22.476	$364.80	$367.41	$344.10	36.7	37.3	37.0	$9.94	$9.85	$9.30
Chemical and Allied Products	4.180	$613.09	$679.10	$604.04	39.1	39.3	39.3	$15.68	$17.28	$15.37
Transportation Equipment	56.992	$648.26	$635.36	$614.54	44.8	44.0	43.4	$14.47	$14.44	$14.16
SELECTED NONMANUFACTURING INDUSTRIES										
Construction	66.067	$613.88	$597.30	$591.38	37.5	36.2	36.8	$16.37	$16.50	$16.07
Wholesale and Retail Trade (does not include eating and drinking establishments)	295.372	$316.86	$312.98	$298.90	32.7	32.4	31.9	$9.69	$9.66	$9.37

* Average hourly earnings for all manufacturing production workers reported in this table do not exactly reflect the official US Bureau of Labor Statistics definition of "wages." While these data still constitute a valid economic indicator series. they should not be used at this time for the negotiation of contracts whose monetary provisions may depend upon official US Bureau of Labor Statistics hourly earning data.

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Olympia WA 98504-5311

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Washington
LABOR MARKET

May 1989

JOB SERVICE

Washington State
Employment Security

Isiah Turner
Commissioner

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Economic Analysis Branch
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Gary Bodeutsch
Director

In cooperation with the
Employment and Training
Administration
U.S. Department of Labor

Volume 13, Number 5

Highlights

Washington Economy Stronger . . . So Far!

Signs of economic slowing at the national level have yet to be seen in Washington state's indicators. Since April 1988, resident civilian employment has grown 5.7 percent in Washington but only 2.1 percent nationwide. The April count of jobless workers in the state was 10,000 below the March tally. The rate of unemployment fell one-half a percentage point over the month to reach 5.9 percent.

March weather was unusually wet, causing problems for grain growers who normally begin planting activities in early spring. As a result, many growers were also behind schedule during the month of April. However, this did not deter some normal agricultural activities - asparagus was harvested throughout the month.

	April 1989 (Prel.)	Mar. 1989 (Rev.)	April 1988
Civilian Labor Force	2,389,500	2,354,800	2,266,100
Total Employment	2,248,200	2,203,500	2,126,300
Total Unemployment	141,300	151,300	139,800
State Unemployment Rate	5.9	6.4	6.2
National Civilian Unemployment Rate	5.1	5.2	5.3

*Data in this table are not seasonally adjusted.

INDUSTRY DEVELOPMENTS

Trade Leads the Pack

Wholesale and retail trade lead all industry divisions in employment gains in the month of April by adding 8,900 workers. On the wholesale side, firms selling farm supplies and fresh fruits and vegetables increased payrolls to help move more goods from warehouses to stores.

It Is Not Just Population That is Growing

Retail nurseries were able to exploit the unusually wet March as planting conditions were ideal in April. Many homeowners had the green-backs to help assuage their green thumbs. Food stores, still reeling under the ever-growing demand from a seemingly ever-growing population, added almost 1,400 workers in April.

Will Youth Shortage = Higher Prices?

Growth in eating and drinking establishment jobs continued unabated in April, representing over half of all new retail jobs over the month. The food service industry has some serious planning to do, however. Young workers who traditionally use this industry as a stepping stone into the labor force have actually declined in number in the last several years. As with any scarce commodity, the price of that commodity has been bid up. Without significant productivity increases, this should result in higher relative prices for prepared food.

Productivity Is The Key

Productivity has been a key issue in the goods-producing industries for the past decade. This measure of relative output per worker is directly related to competitive strength on international markets and gains in the standard of living. Though productivity gains in manufacturing have slowed in the last several quarters, over the current business cycle these gains have been significant. In the service divisions, however, there have been no gains.

Up until recently, there has been no pressing need for productivity gains in the service sector. In many service industries those services are provided person to person; the only way to increase output has been to increase staffing. With the increases in labor force participation among women and teenagers during the past decade this has not been a problem. But because of the low fertility rates of the 70's there is no longer an abundant supply of young workers.

In economic terms, the marginal cost of each additional employee has been well below the marginal revenue gained. Productivity increases will be needed only when the marginal costs converge with marginal revenue. With the bidding up of wages to attract young workers, or to retain older workers, the difference between marginal revenue and marginal costs has probably already declined.

Of course these measures will differ depending on the occupation and wage mix in each service industry. There have already been visible attempts to increase productivity in many service businesses; banking has automated tellers, food stores have bar-code readers and computerized inventory control, and the shipping industry has containerized cargo, to name but a few. The process of accommodating demographic changes in the labor force is gradual. The end result, however, should be increased productivity throughout the service sector.

Business Services Overtake Health

Business services hired over one-third of the 5,400 new workers in the services division in April. Health-care services has finally showed signs of slowing, adding a comparatively meager 400 - only 50 of which were in hospitals. Amusement and recreation employment was down from March, thanks to the end of the ski season; this industry should rebound with continued growth in sports and recreation membership facilities.

Lost On A Technicality

Manufacturing employment reported an interesting change of pace in April. For the first time in a long while, aerospace did not lead in job growth over the month; that distinction went to food and kindred products. The canned and preserved fruits and vegetables businesses, in particular, were busy with early asparagus harvests in Eastern Washington.

The absolute number of workers employed in aerospace were possibly understated. The 670 (or is it 740) Lockheed workers borrowed by Boeing were still paid by Lockheed and therefore not counted on Boeing payrolls.

Voluntary Quits In Chemicals

The only negative in the published detail was, again, in chemicals and allied products. Many of those released from the operations in Hanford actually volunteered. There are, apparently, some monetary incentives - severance payments and so forth - to induce workers to leave. Considering the still-healthy economy elsewhere in the state, it is probably a sound strategy to start a job-search now rather than in a crisis situation.

Though some construction activity was postponed during the first quarter of the year, it did a good job of catching up in April. Employment increased 3,800, the majority of which was in special trade contractors - firms whose activities are specialized in building construction or to both building and nonbuilding projects.

State Growth Rate Twice The National Average

Over-the-year expansion in nonfarm employment was still substantial in April. Wage and salary jobs were up 95,700 compared to April of 1988. This translates to a five percent gain - over double the national growth rate. The services division added 25,000 new jobs, the 5.6 percent gain also outpacing the average. Business services alone posted a 7.5 percent gain, adding 6,400 workers. Health care, now playing second fiddle to business services, grew at a below average 3.5 percent; high costs are finally taking their toll on demand for health care services.

New Consumers Not Interested In Bulk

Retail trade also grew at an above average 5.7 percent from April of 1988. Over 45 percent of all new retail jobs were in eating and drinking establishments. High labor force participation by women should continue to bolster the demand for prepared foods despite possible price increases related to the youth shortage. Employment in food stores jumped 7.7 percent over the year.

Changing workforce demographics are also evident in food store products. Even controlling for a more diverse array of goods, a smaller and smaller share of total sales is made up of bulk items - those needed to prepare meals from scratch. Lack of preparation time means more prepackaged foods, deli-counters and salad bars - relatively common services in most new stores.

Things Are Really Coming And Going

Transportation services employment has grown well above average. Water transportation services lead this division posting an increase in payrolls of over 20 percent - almost 1,600 new workers. Cargo traffic through Washington ports - grain, logs, and containers - has surged in the past few years.

In the last few weeks the dollar has strengthened on foreign exchange markets which could lead to a relative increase in imports and a decline in exports. Political instability in the Pacific rim is causing many overseas investors to take a second look at alternative investments, such as U.S. businesses and government bonds.

Mother Nature Unreliable

Manufacturing activity over the year, especially in nondurable goods, was very much a mixed bag. Weather conditions that negatively affected the employment situation early in the year will probably carry over at least through the second quarter. The major problem with the seasons is that they are never reliable. For instance, while fish and seafood processing businesses reported more employment this April, fruit and vegetable canning and preserving operations lagged last year's payroll tallies.

Boeing Bullish

On the durable goods side of manufacturing, the picture is a bit different. Aerospace was responsible for 65 percent of all new jobs in manufacturing, adding 11,700 workers over the 12-month span - an increase of almost 12 percent. On the flip-side of transportation equipment are ship and boat building, both of which are down over the year. Completion of contracts and a slowdown in consumer spending, - translate into fewer jobs.

When The Going Gets Tough, The Tough Go Shopping

Because the U.S. economy has been pushing up against its physical capacity, the need to expand that capacity has increased the demand for machinery. As a result, employment at Washington's machinery manufacturers has risen seven percent in the past year.

Local Logs Leaving

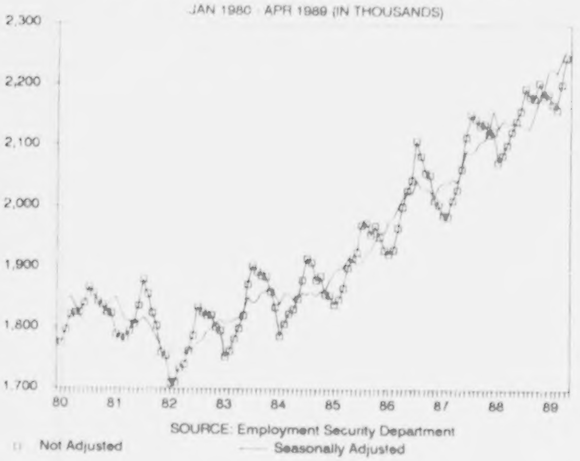
Lumber and wood products jobs are also up over the year, though even this is a mix of good and bad news. Overseas demand for Northwest logs has been so high that prices have skyrocketed. High lumber prices in conjunction with relatively high mortgage interest rates has dampened demand for new homes on the domestic markets. But because of strong foreign demand, logging operations are still going full tilt while sawmills, planning mills, millwork, veneer and plywood payrolls are actually below last year's level.

AREA TRENDS

West Is Best

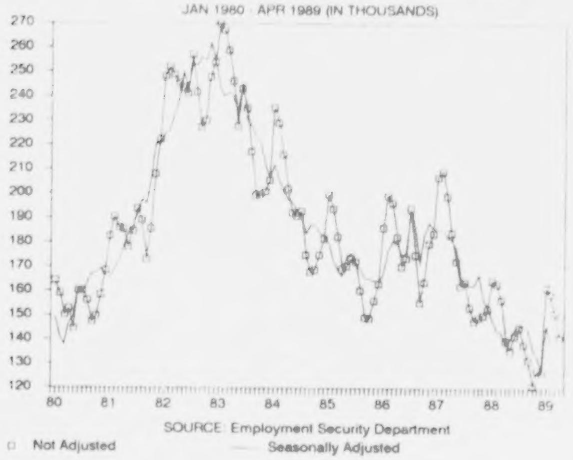
There is a definite economic growth bias in favor of the Puget Sound region. Since April of 1988, Western Washington resident employment grew 6.1 percent while Eastern Washington employment grew 4.2 percent. There is an even stronger bias against logging and lumber-based areas where employment grew only 2.8 percent.

STATE TOTAL RESIDENT EMPLOYMENT



SOURCE: Employment Security Department

STATE TOTAL RESIDENT UNEMPLOYMENT



SOURCE: Employment Security Department

Lumber Areas Hit With Triple Whammy

Though all regions and a great majority of the labor markets reported an improved employment situation between March and April, over the year comparisons are much more revealing. Taken in total, logging and lumber labor markets experienced an increase in total joblessness from last April. No doubt Old-Growth and Spotted Owl litigation and climbing interest rates have all played a part in these developments.

Policies Affect Apportionment

Eastern Washington labor markets have suffered a similar fate; while average unemployment declined statewide, it rose one-half a percentage point east of the mountains. As a matter of fact, 11 out of the 18 Eastern Washington labor market areas had higher jobless rates this April compared to last. Even though the Manrique decision of October 5, 1987, allowing non-citizens to collect unemployment insurance, and the Immigration Reform and Control Act (IRCA) had no affect on total state unemployment, they would affect how total unemployment is apportioned at the sub-state labor market area level. Because of the policy changes resulting from these two legal actions, agricultural areas within Washington now receive a greater share of the total unemployed.

INDUSTRY NOTES

Seafirst Finds Elbow-Room

In a much publicized move, involving 350 workers, Seattle First National Bank transferred its credit-card division from Seattle to Spokane. As of April first, the unit was in full operation. Seafirst credit-card activities cover five northwest states, involve almost one million accounts and represent close to a 40 percent market share. Part of the reason for the move was the inability to attract workers to the crowded downtown Seattle financial district. According to a Seafirst spokesman, Spokane should prove to be a more productive environment.

Billion$ and Billion$

According to Business Week magazine, Washington is home to 17 of the top 1,000 businesses in the nation. Comparisons are based on market value, the price of a share of common stock on March 17, 1989, multiplied by the number of shares outstanding. Boeing was ranked 41st with a current market value of $10.4 billion. Burlington Resources was ranked 67th with a current value of $6.58 billion. Weyerhaeuser was ranked 96th with a market value of $5.37 billion. Relatively new McCaw Cellular was ranked 107th with a market value of $4.9 billion. Ranked first in the nation was International Business Machines with a market value of $66.3 billion.

Boeing Overtakes Self

At the end of April, Boeing reported a record 101,547 employees in Washington state. The previous record set in 1968 was 101,544 workers. Boeing's other operations in California, Tennessee, Louisiana, Kansas and elsewhere brought the total up to 159,934, over 11,000 higher than in 1968. This total does not include the workers borrowed from Lockheed.

Shipbuilding Given Shot-In-The-Yardarm

Shipbuilding and repair was given a boost with the award of a $26.7 million contract to Todd Pacific Shipyards for the overhaul of the USS Chandler, a Kidd class destroyer. The contract will support an additional 350 jobs. The overhaul will equip the ship with new anti-air-warfare fire control systems allowing it to detect and track high-angle anti-ship missiles.

Nordstrom On A Roll

Seattle-based Nordstrom stores continues its aggressive nationwide expansion program by announcing plans for 14 new stores. Among those planned will be its first store in the Mid-West at the Mall Of America in Bloomington, Minnesota. Six more are planned for the Northeast and another five for California. The new stores will cost more than $500 million over the next five years.

NATIONAL INDICATORS

Plant Capacity Close To Max

The operating rate for U.S. factories rose to 83.9 percent in April, the first increase in four months. The Federal Reserve Board was pleased with the figure as it was below the ten-year high 84.3 percent set in December. The closer the economy operates at capacity the greater the chance it will have difficulty in meeting demand. This could lead to shortages and price increases.

Six-Year Low

National housing starts fell to a six-year low in April. On a seasonally adjusted annual average basis, housing starts declined to 1.36 million from 1.39 million in March. That was the lowest it had been since December 1982, and 13.6 percent below April 1988. It appears the Federal Reserve's attempt to slow the economy have worked, at least on this front.

Inflation?

Wholesale prices appeared to moderate in March and April after one percent jumps in both January and February. But despite the relatively modest 0.4 percent gains in March and April, wholesale prices have advanced at a nine percent annual rate this calendar year.

No Third Strike

In a turnaround from the past few months, the Index of Leading Indicators, the government's premier gauge of future economic activity, rose 0.8 percent. This tends to break the three-consecutive-month pattern that portends a recession. There is a more enlightened interpretation of the leading indicator series, however; some pundits claim that the indicators have been so high for so long that the three consecutive month decline is no longer a valid recession measure.

CONSUMER PRICE INDEX*

(All Items, Urban Consumers, 1982-1984=100)

	INDEXES			PERCENT CHANGE Year Ending	
	Apr. 1989	Mar. 1989	Apr. 1988	Apr. 1989	Mar. 1989
U.S. City Average	123.1	122.3	117.1	5.1	5.0
	July-Dec. 1988	July-Dec. 1987		July-Dec. '87 to July-Dec. '88	
Seattle*	113.8	110.3		3.2	

* The index for Seattle reflects prices in King, Pierce and Snohomish Counties

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NONAGRICULTURAL WAGE & SALARY WORKERS IN WASHINGTON STATE, PLACE OF WORK 1/

(In Thousands)

NOT SEASONALLY ADJUSTED Industry	April 1989 (PREL.)	March 1989 (REV.)	April 1988 (REV.)	March 1988 (REV.)	Numerical Change Mar. 1989 to Apr. 1989	Numerical Change Apr. 1988 to Apr. 1989
TOTAL NONAG. WAGE AND SALARY	2,008.9	1,983.1	1,913.2	1,886.5	25.8	95.7
MANUFACTURING	352.6	347.4	334.9	329.6	5.2	17.7
Durable Goods	254.9	251.9	237.7	234.8	3.0	17.2
Lumber and Wood Products	42.2	41.4	41.3	40.2 3/	0.8	0.9
Furniture and Fixtures	4.3	4.2	4.1	4.1	0.1	0.2
Stone, Clay and Glass	7.4	7.3	7.4	7.2	0.1	0.0
Primary Metals	13.3	13.2	12.4	12.4	0.1	0.9
Aluminum	8.9	8.9	8.4	8.4	0.0	0.5
Fabricated Metals	11.2	11.0	10.5	10.3	0.2	0.7
Machinery	33.4	33.3	31.2	31.0	0.1	2.2
Machinery (Except Electrical)	19.2	19.2	18.0	17.7	0.0	1.2
Electrical Equipment	14.2	14.1	13.2	13.3	0.1	1.0
Transportation Equipment	125.5	124.0	114.2	113.3	1.5	11.3
Aerospace	110.6	109.2	98.9	98.6	1.4	11.7
Other Transp. Equipment	14.9	14.8	15.3	14.7	0.1	-0.4
Instruments and Related	11.7	11.7	11.4	11.2	0.0	0.3
Misc. Manufacturing	5.9	5.8	5.2	5.1	0.1	0.7
Nondurable Goods	97.7	95.5	97.2	94.8	2.2	0.5
Food and Kindred Products	32.7	30.9	33.0	30.7	1.8	-0.3
Canned and Preserved Foods	11.8	10.3	12.6	10.2	1.5	-0.8
Apparel and Allied Products	6.2	6.1	6.1	5.9	0.1	0.1
Paper and Allied Products	16.9	16.8	16.6	16.7	0.1	0.3
Printing and Publishing	21.8	21.8	21.1	21.0	0.0	0.7
Chemicals and Allied Products	10.0	10.1	11.0	11.2	-0.1	-1.0
Other Nondurable Goods 2/	10.1	9.8	9.4	9.3	0.3	0.7
MINING and QUARRYING	3.5	3.4	3.3	3.2	0.1	0.2
CONSTRUCTION	98.9	95.1	90.8	87.2	3.8	8.1
TRANSP.,COMM. and UTIL.	104.1	103.3	99.1	98.8	0.8	5.0
WHOLESALE and RETAIL TRADE	488.7	479.8	463.6	457.6 3/	8.9	25.1
Wholesale Trade	118.8	117.0	113.6	111.5	1.8	5.2
Retail Trade	369.9	362.8	350.0	346.1 3/	7.1	19.9
FIN. INS. and REAL ESTATE	112.9	112.1	108.5	107.8	0.8	4.4
SERVICES	466.3	460.9	441.3	433.7	5.4	25.0
Health Services	137.4	137.0	132.8	132.1	0.4	4.6
GOVERNMENT	381.9	381.1	371.7	368.6	0.8	10.2
Federal	71.7	71.5	71.2	70.1	0.2	0.5
State and Local	310.2	309.6	300.5	298.5	0.6	9.7
Education	168.3	168.9	163.5	163.6	-0.6	4.8
WORKERS IN LABOR-MANAGEMENT DISPUTES	0.0	0.0	0.0	0.2	0.0	0.0

1/ Excludes proprietors, self-employed, members of armed forces, and private household employees. Includes all full- and part-time wage and salary workers receiving pay during the pay period including the 12th of the month.

2/ Includes textile mill products, rubber and miscellaneous plastic products, petroleum refining and related products, and leather products.

3/ Workers excluded because of involvement in labor-management disputes.

Washington State
Employment Security Department
Labor Market and Economic Analysis Branch

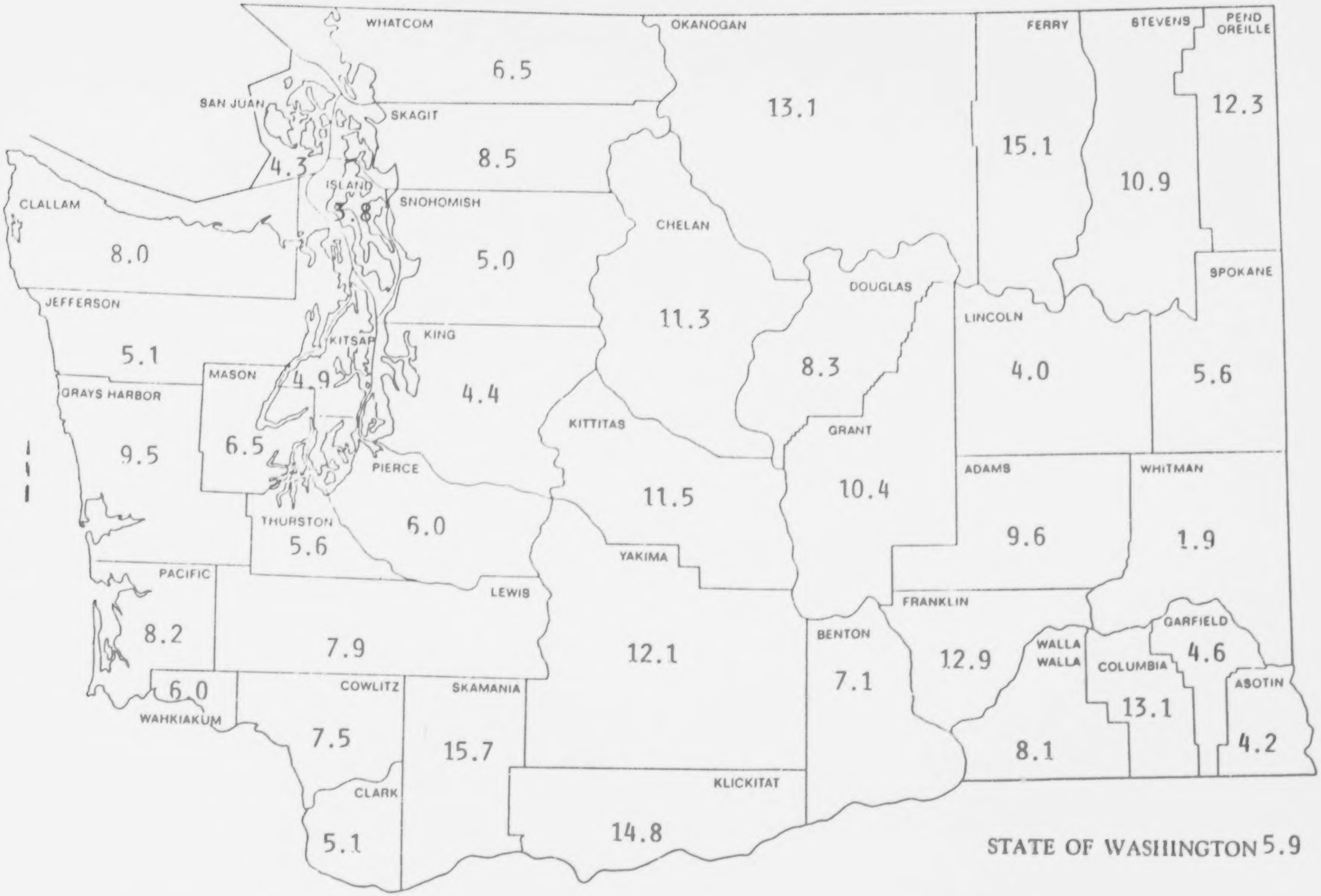
RESIDENT LABOR FORCE AND EMPLOYMENT IN WASHINGTON STATE AND LABOR MARKET AREAS

(Not Seasonally Adjusted)

DATE 5/31/89
Benchmark: 1988

	APRIL 1989 PRELIMINARY 1/				MARCH 1989 REVISED 1/				APRIL 1988 REVISED 1/			
	Labor Force	Employment	Unemployment	Unemp. Rate	Labor Force	Employment	Unemployment	Unemp. Rate	Labor Force	Employment	Unemployment	Unemp. Rate
Washington State total	2,389,500	2,248,200	141,300	5.9	2,354,800	2,203,500	151,300	6.4	2,266,100	2,126,300	139,800	6.2
Bellingham MSA	60,000	56,100	3,900	6.5	59,600	55,100	4,500	7.6	59,200	54,800	4,400	7.4
Bremerton MSA	77,300	73,500	3,800	4.9	77,300	73,300	4,000	5.2	75,700	71,500	4,200	5.5
Olympia MSA	79,100	74,700	4,400	5.6	78,600	73,800	4,800	6.1	74,400	69,900	4,500	6.0
Seattle PMSA	1,077,000	1,028,600	48,400	4.5	1,063,900	1,014,400	49,500	4.7	1,006,900	957,100	49,800	4.9
King County 2/	851,700	814,500	37,200	4.4	840,900	803,200	37,700	4.5	796,000	757,900	38,100	4.8
Snohomish County 2/	225,400	214,200	11,200	5.0	223,000	211,200	11,800	5.3	211,000	199,300	11,700	5.5
Spokane MSA	172,400	162,800	9,600	5.6	170,000	159,500	10,500	6.2	163,800	154,100	9,700	5.9
Tacoma PMSA	252,600	237,400	15,200	6.0	250,900	234,900	16,000	6.4	240,700	225,200	15,500	6.4
Tri-Cities MSA	68,200	62,400	5,800	8.5	65,200	59,400	5,800	8.9	67,600	62,200	5,400	8.0
Benton County 2/	51,900	48,200	3,700	7.1	49,700	45,900	3,800	7.6	52,000	48,000	4,000	7.7
Franklin County 2/	16,300	14,200	2,100	12.9	15,500	13,500	2,000	12.9	15,400	14,100	1,300	8.4
Vancouver PMSA	118,800	112,800	6,000	5.1	118,000	111,400	6,600	5.6	113,300	107,000	6,300	5.6
Yakima MSA	94,900	83,400	11,500	12.1	89,000	76,400	12,600	14.2	91,000	81,500	9,500	10.4
Adams	6,700	6,060	640	9.6	6,450	5,740	710	11.0	6,010	5,400	610	10.1
Asotin	9,680	9,270	410	4.2	9,390	8,910	480	5.1	9,270	8,740	530	5.7
Clallam	22,490	20,690	1,800	8.0	22,330	20,240	2,090	9.4	22,700	21,000	1,700	7.5
Columbia	1,980	1,720	260	13.1	1,760	1,380	380	21.6	2,870	2,630	240	8.4
Cowlitz	36,170	33,460	2,710	7.5	35,610	32,690	2,920	8.2	35,400	32,890	2,510	7.1
Ferry	2,850	2,420	430	15.1	2,770	2,320	450	16.2	2,730	2,380	350	12.8
Garfield	1,080	1,030	50	4.6	1,040	980	60	5.8	960	930	30	3.1
Grant	24,790	22,210	2,580	10.4	23,170	20,730	2,440	10.5	23,390	21,290	2,100	9.0
Grays Harbor	25,220	22,830	2,390	9.5	24,990	22,290	2,700	10.8	25,500	23,300	2,200	8.6
Island	19,940	19,180	760	3.8	19,650	18,810	840	4.3	18,710	17,780	930	5.0
Jefferson	8,260	7,840	420	5.1	8,200	7,700	500	6.1	7,930	7,480	450	5.7
Kittitas	11,750	10,400	1,350	11.5	11,950	10,490	1,460	12.2	11,290	9,980	1,310	11.6
Klickitat	7,850	6,690	1,160	14.8	7,820	6,330	1,490	19.1	7,430	6,370	1,060	14.3
Lewis	25,180	23,180	2,000	7.9	25,160	22,800	2,360	9.4	24,190	22,260	1,930	8.0
Lincoln	4,280	4,110	170	4.0	4,230	4,000	230	5.4	4,050	3,860	190	4.7
Mason	14,600	13,650	950	6.5	14,500	13,440	1,060	7.3	12,810	11,890	920	7.2
Okanogan	15,780	13,710	2,070	13.1	16,050	13,560	2,490	15.5	15,020	13,130	1,890	12.6
Pacific	7,460	6,850	610	8.2	7,260	6,630	630	8.7	7,130	6,600	530	7.4
Pend Oreille	3,500	3,070	430	12.3	3,440	2,970	470	13.7	3,120	2,630	490	15.7
San Juan	5,170	4,950	220	4.3	4,860	4,560	300	6.2	5,110	4,880	230	4.5
Skagit	33,000	30,190	2,810	8.5	32,910	29,750	3,160	9.6	33,530	30,340	3,190	9.5
Skamania	2,870	2,420	450	15.7	2,630	1,990	640	24.3	2,260	1,910	350	15.5
Stevens	12,330	10,990	1,340	10.9	12,200	10,740	1,460	12.0	11,450	10,300	1,150	10.0
Wahkiakum	1,160	1,090	70	6.0	1,170	1,100	70	6.0	1,200	1,120	80	6.7
Walla Walla	25,730	23,640	2,090	8.1	24,330	21,910	2,420	9.9	23,760	22,190	1,570	6.6
Wenatchee Labor Area	39,840	35,730	4,110	10.3	39,500	34,730	4,770	12.1	37,440	34,010	3,430	9.2
Chelan County 2/	26,970	23,930	3,040	11.3	26,810	23,260	3,550	13.2	25,490	22,780	2,710	10.6
Douglas County 2/	12,870	11,800	1,070	8.3	12,700	11,470	1,230	9.7	11,960	11,240	720	6.0
Whitman	19,390	19,020	370	1.9	19,040	18,590	450	2.4	18,310	17,830	480	2.6

1/ Official U.S. Department of Labor, Bureau of Labor Statistics data.
2/ Estimates are determined by using the Population/Claims Share disaggregation methodology.
Note: Detail may not add due to rounding


WHATCOM
6.5
OKANOGAN
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FERRY
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STEVENS
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PEND OREILLE
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SAN JUAN
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SKAGIT
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ISLAND
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SNOHOMISH
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CLALLAM
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CHELAN
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DOUGLAS
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SPOKANE
5.6
JEFFERSON
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KITSAP
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KING
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LINCOLN
4.0
MASON
6.5
GRAYS HARBOR
9.5
KITTITAS
11.5
GRANT
10.4
PIERCE
6.0
ADAMS
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WHITMAN
1.9
THURSTON
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YAKIMA
12.1
PACIFIC
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LEWIS
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FRANKLIN
12.9
BENTON
7.1
WALLA WALLA
8.1
COLUMBIA
13.1
GARFIELD
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ASOTIN
4.2
WAHKIAKUM
6.0
COWLITZ
7.5
SKAMANIA
15.7
KLICKITAT
14.8
CLARK
5.1
STATE OF WASHINGTON 5.9

ESTIMATED AVERAGE HOURS AND EARNINGS OF PRODUCTION WORKERS IN MANUFACTURING AND OF NONSUPERVISORY WORKERS IN NONMANUFACTURING ACTIVITIES, STATE OF WASHINGTON

	Preliminary April Production Workers/ Nonsupervisory Workers	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
		Apr 89	Mar 89	Apr 88	Apr 89	Mar 89	Apr 88	Apr 89	Mar 89	Apr 88
TOTAL MANUFACTURING INDUSTRIES*	211,310	$505.90	$504.29	$470.42	40.7	40.8	39.9	$12.43	$12.36	$11.79
SELECTED MANUFACTURING INDUSTRIES										
Lumber and Wood Products	35,461	$472.40	$436.15	$443.09	40.9	38.7	40.8	$11.55	$11.27	$10.86
Primary Metal Industries	10,280	$537.93	$550.31	$536.98	41.7	43.4	43.2	$12.90	$12.68	$12.43
Fabricated Metal Products	8,972	$490.95	$485.75	$444.77	41.5	41.2	39.5	$11.83	$11.79	$11.26
Machinery	21,904	$379.61	$381.42	$376.75	38.5	39.2	39.7	$9.86	$9.73	$9.49
Food and Kindred Products	24,015	$349.15	$366.05	$320.16	35.7	36.9	34.8	$9.78	$9.92	$9.20
Chemical and Allied Products	5,118	$672.40	$619.37	$614.23	40.9	39.4	38.9	$16.44	$15.72	$15.79
Transportation Equipment	59,034	$645.36	$650.60	$594.58	44.6	44.9	42.5	$14.47	$14.49	$13.99
SELECTED NONMANUFACTURING INDUSTRIES										
Construction	70,961	$612.36	$614.25	$597.18	37.8	37.5	37.0	$16.20	$16.38	$16.14
Wholesale and Retail Trade (does not include eating and drinking establishments)	299,698	$334.77	$317.13	$304.32	34.3	33.0	32.0	$9.76	$9.61	$9.51

* Average hourly earnings for all manufacturing production workers reported in this table do not exactly reflect the official US Bureau of Labor Statistics definition of "wages." While these data still constitute a valid economic indicator series, they should not be used at this time for the negotiation of contracts whose monetary provisions may depend upon official US Bureau of Labor Statistics hourly earning data.

Employment Security Department
KG-11
Olympia WA 98504-5311

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SRI
4520 EAST WEST HIWY
BETHESDA MD 20814

S8340-3

Washington
LABOR MARKET

JOB SERVICE

Washington State
Employment Security

Isiah Turner
Commissioner

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Director

In cooperation with the
Employment and Training
Administration
U.S. Department of Labor

June 1989

Highlights

The Beat Of A Different Drummer

For the month of May, Washington again out-paced the nation in generating new jobs. Total civilian employment jumped up 2.6 percent locally, but only 0.6 percent nationwide. Over the year comparisons showed a similar pattern, state employment rose 7.7 percent while national employment advanced 2.5 percent.

The rate of unemployment reported considerably more movement locally than nationally. In Washington, the jobless rate fell six-tenths of a point to reach 5.4 percent. The national figure dropped only one-tenth to reach 5 percent even. The fact that local and national rates have been converging recently is further evidence that the national economy is slowing while the local economy is still moving forward.

Though apples have been dominating the news on the agricultural front, winter wheat has also fared poorly because of the severe weather earlier this year. It is estimated that 38 percent of the crop was abandoned.

Volume 13, Number 6

Resident Civilian Labor Force, Employment and Unemployment
In Washington State

	May 1989 prelim.	April 1989 revised	May 1988
Resident Civilian Labor Force	2,440,100	2,392,700	2,279,200
Employment	2,307,900	2,250,100	2,143,400
Unemployment	132,200	142,600	135,800
Unemployment Rate	5.4%	6.0%	6.0%
National Unemployment Rate	5.0%	5.1%	5.4%

Data in this table are not seasonally adjusted

INDUSTRY DEVELOPMENTS

Goods Doing Good...er, Well

Manufacturing has continued to hold its own during this economic expansion, adding 5,000 new workers this May and 19,900 since last May. That represents a 5.9 percent gain over the year, outpacing the 5.1 percent growth in total nonfarm employment. *Food and kindred products* exhibited its inherent seasonal nature, leading all other manufacturing industries in generating jobs over the month. This large over-the-month change, primarily in *canned and preserved fruits and vegetables*, was partially a result of weather related delays earlier in the season, May activity was the same as last years level.

In spite of all the hubbub surrounding the *logging and lumber* industry recently, employment remains amazingly resilient. May's employment level was 800 above that of April, and an equal amount above year-ago figures.

Will It Ever End?

Aerospace added another 1,700 workers in May, further expanding its record number of employees. This industry grew 11.3 percent since May of 1988, leading all other industries in relative annual gains.

Wait 'Til June

Only the *retail trade* division added more workers (5,600) this May than did manufacturing. *Eating and drinking establishments*, *food stores*, *building materials* and *apparel stores* represented close to 80 percent of these new retail jobs. The retail clerks labor dispute will not show up until June. Current Employment Statistics (CES) survey figures count workers employed at any time during the week including the 12th of the month. Even though the strike/lockout began on May 11th that still included three days

Business services, *health-care* and *hotels and lodging places* paced job growth in the services division. Winding down of the school year and the end of tax season resulted in not unexpected downturns in *education* and *miscellaneous* services.

Services!?...Which Services?

One note about goods and services. Many discussions concerning the economy revolve around the emerging service sector, i.e. "*The New Service Economy.*" This needs clarification as there is duplication of terminology. *Services* can be a major industry division classification, a more general description of economic activity, or an occupational category. I'm glad I cleared that up. Services, the industrial classification, represents those industries coded from 70 through 89 in the Standard Industrial Classification (SIC) coding system. Or, in more general terms, it can represent any industrial activity outside of goods-production (See the figure below).

SIC	INDUSTRY DIVISION	
01-09	Agriculture, Forestry & Fishing	GOODS PRODUCTION
10-14	Mining	
15-17	Construction	
20-39	Manufacturing	
40-49	Transportation & Public Utilities	SERVICE PRODUCTION
50-51	Wholesale Trade	
52-59	Retail Trade	
60-67	Finance, Insurance & Real Estate	
70-89	Services	
90-93	Government	

Service can also describe those occupations coded between 301 and 389 in the Dictionary of Occupational Titles (DOT).

Needless to say, one should be very specific when discussing services so as not to confuse general economic activity, specific industries or occupations.

School Days

State and local education was the only non-manufacturing category to report an employment loss from April. The close of the school-year at Washington State University was responsible.

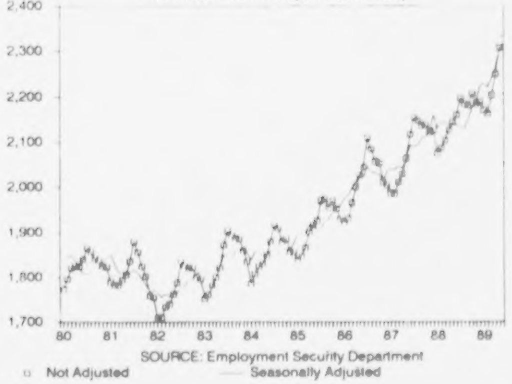
AREA TRENDS

There's Always Someone Rowing Against The Tide

Though all major regions within the state reported improved employment situations over the month and over the year, several small labor markets bucked this trend. Pacific and Whitman counties recorded higher jobless rates in May than in April. Whitman County is home to Washington State University at Pullman. As they operate on a semester basis, classes were over in May resulting in fewer workers employed at the university. As for Pacific, it appears that a short-term fluctuation in food products resulted in some additional jobless claims.

STATE TOTAL RESIDENT EMPLOYMENT

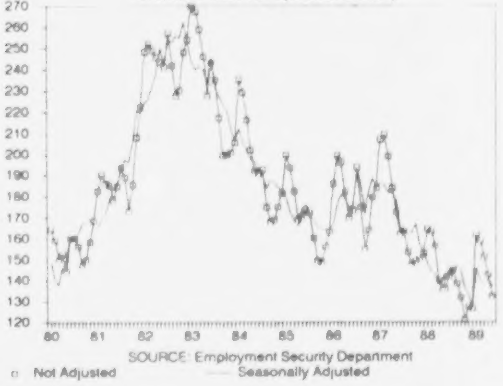
JAN 1980 - MAY 1989 (IN THOUSANDS)



SOURCE: Employment Security Department

STATE TOTAL RESIDENT UNEMPLOYMENT

JAN 1980 - MAY 1989 (IN THOUSANDS)



SOURCE: Employment Security Department

When Things Are Looking Good...Look Closer

While the state unemployment rate fell 0.6 percent over the year, five labor markets - Clallam, Cowlitz, Grays Harbor, Pacific and Stevens reported increased rates. For the most part, these areas are considered lumber based counties. Other small labor market areas are also dependent on logging and lumber, but these areas in particular have fared poorly because of their higher concentration of milling activity as opposed to logging. According to recent figures, one quarter of all the trees cut in Washington and Oregon end up on ships bound to Japan, China and Korea - two-thirds of those logs come from Washington. Thanks to the relatively weak dollar on the foreign exchange markets, domestic mills are having trouble competing with those overseas willing to pay up to a 25 percent premium for the raw materials. As a result, logging operations are doing quite well, while some small area milling operations are languishing.

INDUSTRY NOTES

Even Mom's Apple Pie?!

Quite possibly the biggest industry news this spring has been that on apples. The growth inhibitor *ALAR* has, for all practical purposes, sullied the current crop of red variety apples. It is claimed that *ALAR* by itself is safe, but when heated during processing procedures, creates a carcinogenic, or cancer causing agent. Needless to say, sales of all varieties of apples have suffered. Industry estimates place the estimated loss at $40 to $50 million. The only good note for the current crop is that the Federal government is proposing a buy-out to help cut the huge surplus created by the scare.

He Who Hesitates...

Tollycraft, a boatbuilding firm located in Kelso, is expanding its operations to Bellingham. Apparently the availability of appropriate facilities and land in Kelso was limited, therefore the 188,000 square foot facility in Bellingham was purchased. Kelso operations employ 337 workers. The Bellingham operation is expected to employ over 100 by next year.

Wine Going Abroad

Prior to 1985, St. Michelle winery in Woodinville did not export any of its products. As of 1988, however, they posted $2.3 million in sales to 20 countries worldwide. As a result the winery received one of the *Governor's Export Awards* for 1988.

The Washington Agricultural Statistics Service in Olympia estimates that as much as 38 percent of the winter wheat crop was ruined by severe weather earlier in the year. The resulting harvest produced 68.9 million bushels, the lowest since 1962.

Boeing Building Burgeoning

Boeing is planning $500 million in improvements and new construction over the next two years. Record commercial jet orders have stretched Boeing's current production capacity, prompting these improvements.

Call It Coattails, Call It Ripple Effect...

Other firms are profiting from this tremendous surge in commercial airliner orders. Eldec Corp., manufacturer of electronic components used in jetliners, reported sales of $97.6 million and profits of $4.58 million for its fiscal year ending in March.

According to Fortune Magazine, Safeco is the largest service company in Washington state. Safeco's assets were valued at $7.73 billion for 1988.

NATIONAL INDICATORS

I've Got Good News, And I've Got Bad News

The Commerce Department's Index of Leading Indicators fell 1.2 percent between April and May, the third decline in four months. The downturn was pretty much across-the-board; only stock prices and building permits were positive. On the plus side of what appears to be a dismal report, materials prices also reported a decline; this not only signals a drop in demand, but also a slowing of inflation.

On a more positive note the Commerce Department reported that the sale of new homes rose 2.7 percent, and construction spending increased 1.3 percent to an annual rate of $421.3 billion.

The Conference Board reported that its Index of Consumer Confidence rose to 116.7 in May, whatever that means.

The National Association of Purchasing Management reported that their index fell to 48.8 percent in June (any index over 50 is considered positive). This was the second straight month of decline.

Help! Help!

The latest Help-Wanted Advertising Index for the nation stood at 151 in March of this year, compared to 158 for March of 1988. In comparison, the index for Seattle was 265 this March and 230 in 1988. The March index for Houston was 338, for Boston it was 113.

CONSUMER PRICE INDEX

(All Items, Urban Consumers, 1982-1984=100)

	INDEXES			PERCENT CHANGE Year Ending	
	MAY 1989	APR 1989	MAY 1988	MAY 1989	APR 1989
U.S. AVG	123.8	123.1	117.5	5.4%	5.1%
	JULY-DEC 1988		JULY-DEC 1987		July-Dec '87 - '88
SEATTLE *	113.8		110.3		3.2%

* The index for Seattle reflects prices in King, Pierce and Snohomish counties

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NONAGRICULTURAL WAGE & SALARY WORKERS IN WASHINGTON STATE, PLACE OF WORK [1]

(In Thousands)

					NUMERIC CHANGE	
NOT SEASONALLY ADJUSTED Industry	May 1989 (Prel.)	April 1989 (REV.)	May 1988 (REV.)	April 1988 (REV.)	April 89 to May 89	May 88 to May 89
TOTAL NONAG. WAGE AND SALARY	2,033.3	2,011.3	1,934.1	1,913.2	22.0	99.2
MANUFACTURING	357.3	352.3	337.4	334.9	5.0	19.9
Durable Goods	257.7	254.9	239.2	237.7	2.8	18.5
Lumber & Wood Products	42.8	42.2	42.2	41.3	0.6	0.6
Furniture & Fixtures	4.3	4.3	4.2	4.1	0.0	0.1
Stone, Clay & Glass	7.6	7.4	7.5	7.4	0.2	0.1
Primary Metals	13.3	13.3	12.4	12.4	0.0	0.9
Aluminum	9.0	8.9	8.4	8.4	0.1	0.6
Fabricated Metals	11.1	11.2	10.7	10.5	-0.1	0.4
Machinery	33.6	33.5	31.0	31.2	0.1	2.6
Machinery (Exc. Elec.)	19.4	19.3	17.9	18.0	0.1	1.5
Electrical Equipment	14.2	14.2	13.1	13.2	0.0	1.1
Transportation Equipment	127.5	125.5	114.5	114.2	2.0	13.0
Aerospace	112.3	110.6	99.3	98.9	1.7	13.0
Other Transp. Equipment	15.2	14.9	15.2	15.3	0.3	0.0
Instruments & Related	11.7	11.7	11.6	11.4	0.0	0.1
Misc. Manufacturing	5.8	5.8	5.1	5.2	0.0	0.7
Nondurable Goods	99.6	97.4	98.2	97.2	2.2	1.4
Food & Kindred Products	34.4	32.5	33.7	33.0	1.9	0.7
Canned & Preserved Foods	13.2	11.6	13.2	12.6	1.6	0.0
Apparel & Allied Products	6.2	6.2	6.1	6.1	0.0	0.1
Paper & Allied Products	17.1	16.9	17.0	16.6	0.2	0.1
Printing & Publishing	21.8	21.8	21.3	21.1	0.0	0.5
Chemicals & Allied Products	10.1	10.0	10.7	11.0	0.1	-0.6
Other Nondurable Goods [2]	10.0	10.0	9.4	9.4	0.0	0.6
MINING & QUARRYING	3.5	3.4	3.3	3.3	0.1	0.2
CONSTRUCTION	103.8	99.4	94.7	90.8	4.4	9.1
TRANSP.,COMM. & UTIL	104.7	104.1	100.6	99.1	0.6	4.1
WHOLESALE & RETAIL TRADE	496.8	490.3	470.3	463.6	6.5	26.5
Wholesale Trade	119.5	118.6	114.1	113.6	0.9	5.4
Retail Trade	377.3 [3]	371.7	356.2	350.0	5.6	21.1
FIN. INS. & REAL ESTATE	113.9	113.0	109.4	108.5	0.9	4.5
SERVICES	469.5	466.8	446.2	441.3	2.7	23.3
Health Services	138.4	137.5	133.1	132.8	0.9	5.3
GOVERNMENT	383.8	382.0	372.2	371.7	1.8	11.6
Federal	72.4	71.7	71.5	71.2	0.7	0.9
State & Local	311.4	310.3	300.7	300.5	1.1	10.7
Education	168.2	168.4	162.7	163.5	-0.2	5.5
WORKERS IN LABOR MANAGEMENT DISPUTES	0.3	0.0	0.3	0.0	0.3	0.0

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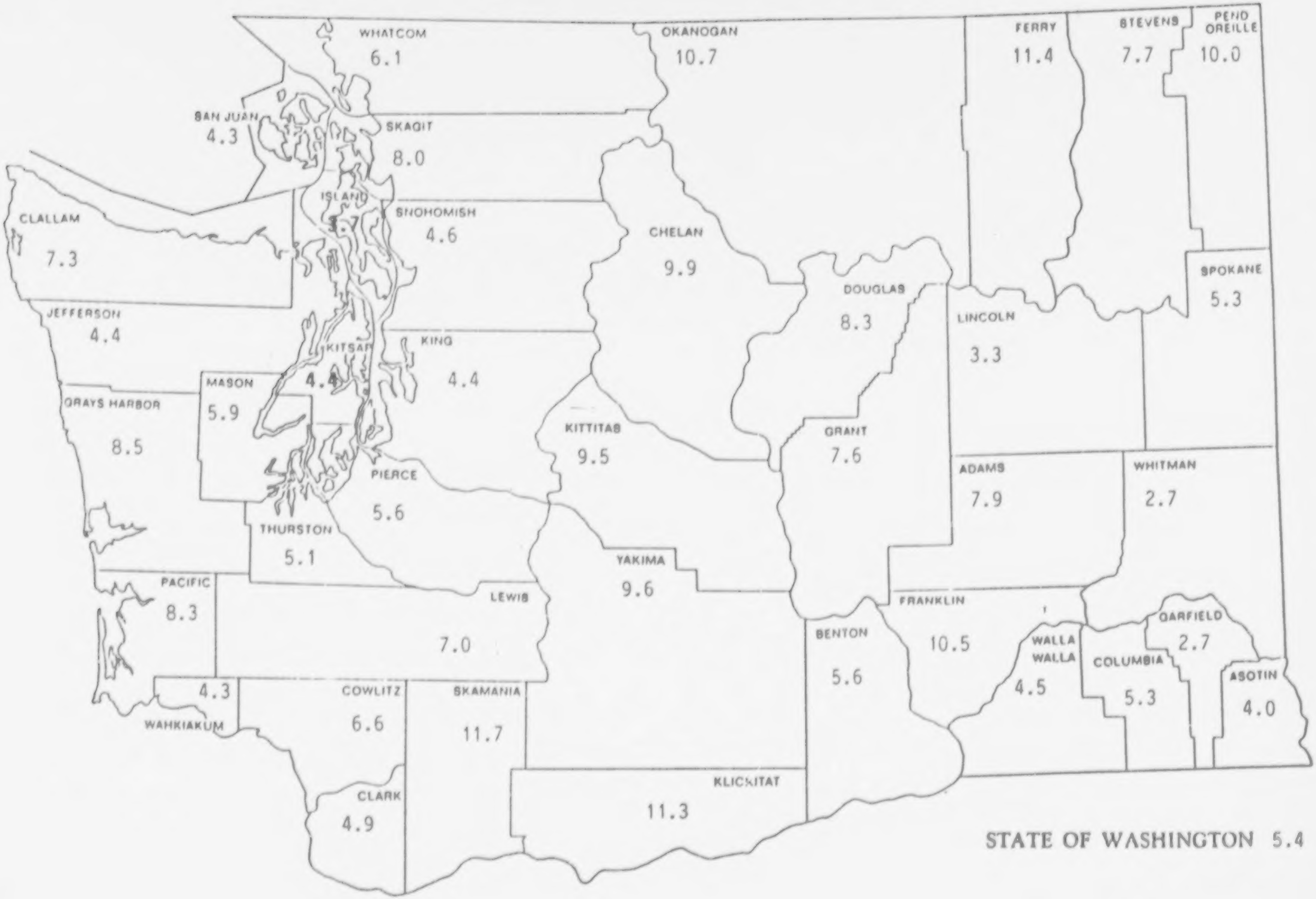
[1] Excludes proprietors, self-employed, members of the armed forces, and private household employees. Includes all full- and part-time wage and salary workers receiving pay during the pay period including the 12th of the month.

[2] Includes textile mill products, rubber and miscellaneous plastic products, petroleum refining and related products and leather products.

[3] Workers excluded because of involvement in labor management disputes.


WHATCOM
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PEND OREILLE
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SAN JUAN
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SKAGIT
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ISLAND
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SNOHOMISH
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CLALLAM
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CHELAN
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DOUGLAS
8.3
SPOKANE
5.3
JEFFERSON
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LINCOLN
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KING
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GRAYS HARBOR
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KITTITAS
9.5
GRANT
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ADAMS
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WHITMAN
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PIERCE
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THURSTON
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STATE OF WASHINGTON 5.4

Washington State
Employment Security Department
Labor Market and Economic Analysis Branch

RESIDENT LABOR FORCE AND EMPLOYMENT IN WASHINGTON STATE AND LABOR MARKET AREAS

Date: 6/30/89
Benchmark: 1988

	MAY 1989 PRELIMINARY [1]				APRIL 1989 REVISED [1]				MAY 1988 REVISED [1]			
	Labor Force	Employment	Unemployment	Unemp. Rate	Labor Force	Employment	Unemployment	Unemp. Rate	Labor Force	Employment	Unemployment	Unemp. Rate
Washington State Total	2,440,100	2,307,900	132,200	5.4	2,392,700	2,250,100	142,600	6.0	2,279,200	2,143,400	135,800	6.0
Bellingham MSA	61,900	58,100	3,800	6.1	60,100	56,100	4,000	6.7	58,300	54,100	4,200	7.2
Bremerton MSA	79,200	75,700	3,500	4.4	78,100	74,300	3,800	4.9	75,300	71,100	4,200	5.6
Olympia MSA	80,000	75,900	4,100	5.1	79,200	74,800	4,400	5.6	73,900	69,400	4,500	6.1
Seattle PMSA	1,099,500	1,050,400	49,100	4.5	1,076,800	1,027,900	48,900	4.5	1,010,900	961,800	49,100	4.9
King County [2]	870,200	831,700	38,500	4.4	851,500	813,900	37,600	4.4	799,700	761,600	38,100	4.8
Snohomish County [2]	229,300	218,700	10,600	4.6	225,300	214,000	11,300	5.0	211,300	200,300	11,000	5.2
Spokane MSA	175,100	165,900	9,200	5.3	172,500	162,800	9,700	5.6	165,000	155,200	9,800	5.9
Tacoma PMSA	253,800	239,500	14,300	5.6	253,800	238,400	15,400	6.1	238,100	223,100	15,000	6.3
Tri-Cities MSA	72,500	67,600	4,900	6.8	68,300	62,500	5,800	8.5	70,900	65,800	5,100	7.2
Benton County [2]	55,300	52,200	3,100	5.6	52,000	48,300	3,700	7.1	54,800	50,900	3,900	7.1
Franklin County [2]	17,200	15,400	1,800	10.5	16,400	14,200	2,200	13.4	16,200	15,000	1,290	7.4
Vancouver PMSA	121,500	115,600	5,900	4.9	118,900	112,800	6,100	5.1	114,100	107,700	6,400	5.6
Yakima MSA	97,300	88,000	9,300	9.6	96,300	84,700	11,600	12.0	93,200	84,300	8,900	9.5
Adams	7,080	6,520	560	7.9	6,730	6,090	640	9.5	6,560	6,000	560	8.5
Asotin	9,940	9,540	400	4.0	9,200	8,800	400	4.3	9,440	8,890	550	5.8
Clallam	23,020	21,340	1,680	7.3	22,510	20,690	1,820	8.1	22,690	21,070	1,620	7.1
Columbia	3,020	2,860	160	5.3	2,450	2,200	250	10.2	2,990	2,810	180	6.0
Cowlitz	37,800	35,310	2,490	6.6	36,450	33,720	2,730	7.5	35,500	33,190	2,310	6.5
Ferry	2,900	2,570	330	11.4	2,860	2,420	440	15.4	2,780	2,460	320	11.5
Garfield	1,130	1,100	30	2.7	1,080	1,030	50	4.6	1,060	1,020	40	3.8
Grant	25,980	24,000	1,980	7.6	24,650	22,050	2,600	10.5	25,120	23,070	2,050	8.2
Grays Harbor	25,520	23,340	2,180	8.5	25,340	22,920	2,420	9.6	25,780	23,630	2,150	8.3
Island	20,970	20,200	770	3.7	19,960	19,190	770	3.9	19,100	18,120	980	5.1
Jefferson	8,230	7,870	360	4.4	8,280	7,840	440	5.3	7,920	7,500	420	5.3
Kittitas	11,870	10,740	1,130	9.5	11,700	10,340	1,360	11.6	11,270	10,200	1,070	9.5
Klickitat	8,140	7,220	920	11.3	7,810	6,650	1,160	14.9	7,660	6,770	890	11.6
Lewis	25,810	24,010	1,800	7.0	25,280	23,240	2,040	8.1	24,370	22,500	1,870	7.7
Lincoln	4,530	4,380	150	3.3	4,320	4,150	170	3.9	4,350	4,180	170	3.9
Mason	14,900	14,020	880	5.9	14,670	13,710	960	6.5	12,890	11,990	900	7.0
Okanogan	15,670	14,000	1,670	10.7	15,760	13,690	2,070	13.1	15,020	13,260	1,760	11.7
Pacific	7,710	7,070	640	8.3	7,510	6,900	610	8.1	7,180	6,630	550	7.7
Pend Oreille	3,610	3,250	360	10.0	3,510	3,070	440	12.5	3,240	2,840	400	12.3
San Juan	5,400	5,170	230	4.3	5,180	4,950	230	4.4	5,280	5,050	230	4.4
Skagit	33,530	30,860	2,670	8.0	32,930	30,100	2,830	8.6	33,180	30,280	2,900	8.7
Skamania	2,650	2,340	310	11.7	2,870	2,420	450	15.7	2,260	1,940	320	14.2
Stevens	12,460	11,500	960	7.7	12,340	10,990	1,350	10.9	11,580	10,720	860	7.4
Wahkiakum	1,170	1,120	50	4.3	1,160	1,090	70	6.0	1,200	1,120	80	6.7
Walla Walla	25,820	24,670	1,150	4.5	24,770	22,680	2,090	8.4	25,320	24,060	1,260	5.0
Wenatchee Labor Area	41,070	37,230	3,840	9.3	39,910	35,770	4,140	10.4	37,670	33,910	3,760	10.0
Chelan County [2]	27,660	24,930	2,730	9.9	27,010	23,950	3,060	11.3	25,390	22,710	2,680	10.6
Douglas County [2]	13,410	12,300	1,110	8.3	12,900	11,820	1,080	8.4	12,280	11,200	1,080	8.8
Whitman	19,590	19,060	530	2.7	19,600	19,220	380	1.9	18,300	17,730	570	3.1

1 Official U.S. Department of Labor, Bureau of Labor Statistics data.
2 Estimates are determined by using the Population/Claims Share disaggregation methodology.
Note: Detail may not add due to rounding.

ESTIMATED AVERAGE HOURS AND EARNINGS OF PRODUCTION WORKERS IN MANUFACTURING AND OF NONSUPERVISORY WORKERS IN NONMANUFACTURING ACTIVITIES, STATE OF WASHINGTON

	Preliminary May Production/ Nonsupervisory Workers	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
		May-89	Apr-89	May-88	May-89	Apr-89	May-88	May-89	Apr-89	May-88
TOTAL MANUFACTURING INDUSTRIES*	214,091	$501.43	$503.03	$477.09	41.0	40.6	40.5	$12.23	$12.39	$11.78
SELECTED MANUFACTURING INDUSTRIES										
Lumber and Wood Products	35,917	$456.80	$457.94	$431.83	40.0	40.1	39.8	$11.42	$11.42	$10.85
Primary Metal Industries	10,249	$546.98	$533.73	$533.46	42.8	41.6	43.3	$12.78	$12.83	$12.32
Fabricated Metal Products	8,951	$484.70	$485.69	$449.35	40.8	41.3	40.3	$11.88	$11.76	$11.15
Machinery	22,124	$380.42	$387.89	$375.56	39.3	39.5	39.7	$9.68	$9.82	$9.46
Food and Kindred Products	25,811	$366.21	$350.30	$348.38	39.0	35.6	39.1	$9.39	$9.84	$8.91
Chemical and Allied Products	4,158	$692.22	$688.32	$609.41	41.5	40.3	38.4	$16.68	$17.08	$15.87
Transportation Equipment	60,030	$635.60	$642.02	$608.57	44.2	44.4	43.1	$14.38	$14.46	$14.12
SELECTED NONMANUFACTURING INDUSTRIES										
Construction	75,690	$616.40	$613.98	$605.51	37.7	37.9	37.4	$16.35	$16.20	$16.19
Wholesale and Retail Trade (does not include eating and drinking establishments)	306,971	$320.97	$336.78	$308.40	33.4	34.4	32.6	$9.61	$9.79	$9.46

*** Average hourly earnings for all manufacturing production workers reported in this table do not exactly reflect the official US Bureau of Labor Statistics definition of "wages". While these data still constitute a valid economic indicator series, they should not be used at this time for the negotiation of contracts whose monetary provisions depend upon official US Bureau of Labor Statistics hourly earning data.**

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Olympia WA 98504-5311

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Washington
LABOR MARKET

JOB SERVICE

Washington State
Employment Security

Isiah Turner
Commissioner

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Labor Market And
Economic Analysis Branch
(206) 438-4800

Gary Bodeutsch
Director

In cooperation with the
Employment and Training
Administration
U.S. Department of Labor

JULY 1989

Highlights

Jobless Rate At Lowest Point In Twenty Years

While the nation's unemployment rate (not seasonally adjusted) climbed to 5.5 percent of the work force for the month of June, Washington's remained unchanged at 5.4 percent. One needs to look back to 1967 to find an instance where this state's June jobless rate was below that of the nation.

Both nonagricultural and agricultural activity increased during June. Though the May-June gain in wage and salary employment was only 0.9 percent across the state, it still exceeded the 0.6 percent growth nationwide. Gains from year-earlier figures reported a like difference - Washington payrolls increased 4.7 percent while nationwide wage and salary jobholders increased but 2.8 percent. The U.S. economy appears to be on a steady approach to the *Soft Landing* economists have been predicting. In the meantime, Washington's economy is still at cruising altitude.

On the agricultural front, the harvest of winter wheat was nearing completion, as was asparagus. Crop activities on the upswing were in strawberries and cherries.

Volume 13, Number 7

RESIDENT CIVILIAN LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT IN WASHINGTON STATE

	June 1989 prelim.	May 1989 revised	June 1988
Resident Civilian Labor Force	2,437,900	2[illegible]41,500	2,301,700
Employment	2,305,200	2,308,600	2,159,900
Unemployment	132,700	132,900	141,800
Unemployment Rate	5.4%	5.4%	6.2%
National Unemployment Rate	5.5%	5.0%	5.5%

Data in this table are not seasonally adjusted.

Official U.S. Department of Labor Bureau of Labor Statistics data.

INDUSTRY DEVELOPMENTS

One wag summed up current industry developments this way: "Everyone has hired each others kids so they have money for the university; and they are all spending their leisure hours drinking more beer, eating more steak and french bread or grabbing something at Mac's before they go boating in last year's boat because they can't deduct a new one from their income tax interest or deduct the sales tax anymore." Well, that may be just a bit too general, but it is pretty close.

Building Building

Construction posted the single largest gain in payrolls among the major industry divisions. Increased activity in all categories - residential, nonresidential, heavy construction and special trade contractors - pushed employment up 4,500. Several infrastructure projects are still on-going. Though the new I-90 bridge is open, the old bridge needs several years worth of renovation work. The I-5 improvements in the Olympia area are continuing; estimated date of completion is still several calendar pages away.

The More The Merrier

The continued influx of new workers and jobseekers has also spurred demand for residential housing. Estimates for population growth over the next decade bode well for residential construction activity. According to forecasts from the Office of Financial Management, between 1988 and the year 2000 population should grow by close to 685,000 people.

And Yet Another Record

Manufacturing appeared quite strong across the board. Aerospace lead the division, continuing to break both sales and employment records. June aerospace payrolls hit 113,700. Prior to this year, the record employment level was 106,300 set in July, 1968. But starting in

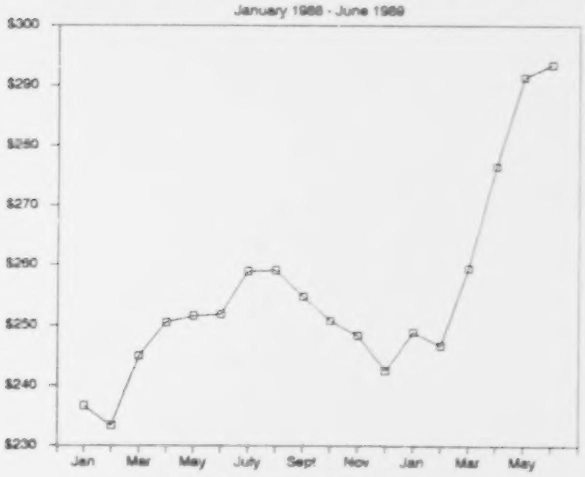
January of this year, and in each succeeding month, a new record has been set.

Logging Looming But Milling Mired

Lumber and wood products also gained ground. It is interesting to note that half of that gain was in logging as opposed to milling activity. Though there have been many structural changes in the lumber and wood products industry, and though the industry is still strongly influenced by seasonal and cyclical pressures, employment within the specific activities still tends to move in unison. There can be divergence at the end of the year when more logs could be cut to give the mills an inventory to carry them through some tight schedules, but for the most part logging and milling employment move together. That is why the May-June change is unusual.

A Conundrum

Here we see a slow national housing market, and interest rates, though moderating, still historically high, yet employment on the up-swing. It is obvious that logging production is not being consumed locally, or even nationally. Why else, when demand is so soft nationally, would the price of cut logs be on the increase? Because the demand is coming from overseas. International demand is so strong that the price of raw logs has increased 19 percent since this February. In addition, logging operators are harvesting younger and younger trees to meet this demand.



LUMBER PRICE PER THOUSAND BOARD FEET

SOURCE: Western Wood Products Assoc.

Paper vs. Plastic?

Even paper and allied products employment, which has been soft for the past quarter, showed strength. Part of this rebound could be related to environmental concerns with styrofoam and plastic packaging. Biodegradable products are now on the minds of many in metropolitan areas as land-fills receive closer regulatory scrutiny and garbage recycling becomes the norm.

Retail Restrained

Retail trade activity was dominated by the labor management dispute which affected 8,000 workers. Retail clerks at food stores struck for wages, hours and health benefits. Needless to say, payrolls were way down at food stores. July figures will also reflect the labor dispute. Fortunately the dispute ended in early August after 11 weeks. Other industries in the retail division took up much of the slack caused by the dispute. Eating and drinking establishments hired 3,600 new workers, no doubt many were school-age youth landing the quintessential summer job. Apparel and accessory stores added 1,200 workers to their payrolls, however, this change was much smaller than that posted between May and June of 1988.

Wholesale Hopping

Thanks to the seasonal harvests of fresh fruits and vegetables, like strawberries, cherries, asparagus, and increased farm-to-market activity, wholesale trade employment jumped 3,700 in June.

FIRE Responds To Market

Within the finance, insurance and real estate division, real estate offices employed almost 1,000 more workers in June. No doubt the hot market for metropolitan Seattle homes has attracted more agents into the field.

Summertime Services Sizzling

Services continued to respond to fast-paced population growth. Business services added 1,900 to payrolls, in particular personnel firms supplying summer-replacement workers for clients. Motion pictures and amusement and recreation facilities needed additional staff to slake the demand of fun-seekers.

Public Payrolls Mixed

Because the average school year ends in June, education payrolls in both the state and local government and in services took a typical seasonal tumble. School teachers are considered employed during the summer months, but classified staff, such as janitors, bus drivers, and food service workers receive a three-month hiatus. Elsewhere in the public sector, summer activities spurred federal hiring in the national parks and state and local government hiring for local facilities.

Goods Gain Ground

Over the year gains in nonfarm wage and salary employment continued in the 4.7 percent range. The good news is that the major goods-producing divisions, manufacturing, construction and mining, far outpaced the average. Those concerned with the loss of goods-producing jobs will be pleased to note that in the past year, Washington state has gained in not only absolute numbers but also in absolute share. Construction grew 9.6 percent and manufacturing grew 6.1 percent. All other major divisions grew in the 4 to 5 percent range.

AREA TRENDS

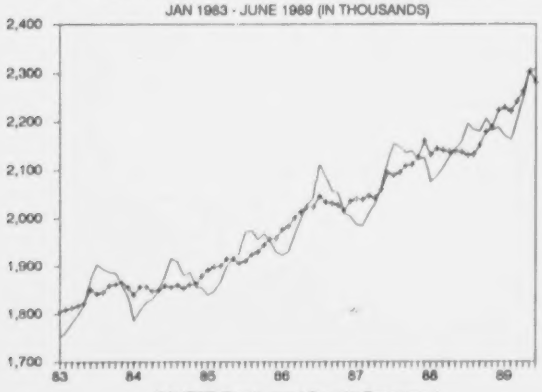
May-June movement in the employment situation across Washington state was modest at best. The jobless rate remained unchanged statewide, and in a tally of all metropolitan and western Washington areas. Unemployment in labor markets dependent on lumber and wood products manufacturing showed improvement, dropping one-tenth of a point, primarily a result of gains on the employment side of the equation. The eastern Washington region also reported an improved labor market situation with joblessness falling two-tenths of a point.

High Highs and Low Lows

Though the area rankings do not change much, the absolute numbers are quite volatile when comparing the unemployment rate by individual labor markets. Again, Whitman county reported the lowest rate for June, a very low 2.1 percent. And again, Skamania reported the highest rate, over twice the average, at 13.6 percent.

STATE TOTAL RESIDENT EMPLOYMENT

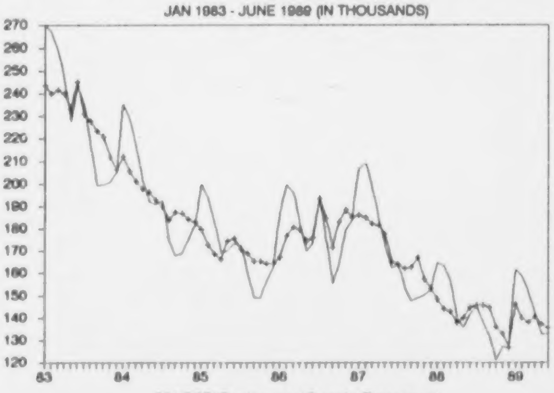
JAN 1983 - JUNE 1989 (IN THOUSANDS)



SOURCE: Employment Security Department

STATE TOTAL RESIDENT UNEMPLOYMENT

JAN 1983 - JUNE 1989 (IN THOUSANDS)



SOURCE: Employment Security Department

Among the metropolitan areas Seattle and Bremerton were neck-and-neck with Seattle winning by a nose at 4.4 and 4.5 percent, respectively. Yakima recorded the highest metropolitan rate with 8.6 percent of its labor force looking for work.

Seattle Dominates

To illustrate the dominence of the Seattle Metropolitan Area on Washington state, let us look at some employment figures. Over the past five years the Washington economy has generated 372,400 new nonagricultural jobs. Between June 1985 and June 1989, the Seattle Metropolitan area created 274,300 new jobs - that represents 73.7 percent of all the new jobs in the state.

California Here I Come... No,That's Not It... California's Where I'm From

If you were wondering why Washington state was experiencing such a high level of inmigration, recent figures pulled from the California Association of Realtors' Affordability Index provide a clue. This index compares household incomes to the cost of housing. As of May, only 15 percent of all households in California could afford a median-priced California home. This is the lowest the index has been since the association started tracking these figures in January of 1984. This is not to say that only 15 percent of Californians own their home. What it says is that given today's prices and today's household income levels, only 15 percent could afford to purchase a median-priced house if they had to start from step one i.e. they did not already own a home and have several years of equity.

Beyond Sticker Shock

The median-priced detached California home was valued at $201,930 in May of this year - up over 23 percent from last May. Households needed a minimum annual income of $68,204 to qualify for a mortgage loan, and faced monthly payments of $1,704. In Los Angeles, the index fell to 13 percent as median home prices rose to $217,700. In Orange County, the comparable figure was nearing a quarter-million dollars. The most extreme example was in San Francisco where the affordability index fell to only 9 percent. The median-priced home was $267,634, requiring an annual household income of $90,396 and monthly payments of $2,260. As a comparison, the index for the nation stood at 44 percent in May.

Needless to say, there are quite a number of young people who have no equity position and only a slim chance of owning a home in California. As a result, many migrate to other states and Washington is among their choice destinations.

INDUSTRY NOTES

Boeing To Up-grade Facilities

From January 1st through May 31st of this year, Boeing received orders and options for jetliners valued at $33.1 billion. Compare that to $30.3 billion in sales of jetliners for all of 1988. At the end of May, the order backlog reached $83.3 billion. In response to such strong orders, Boeing is also finalizing building plans to help up-grade and improve facilities.

A Door Of Opportunity

In June, Simpson Timber Co. announced plans to invest $10 million to upgrade its door plant in McCleary and to hire 75 more workers for its Shelton plywood plant. The McCleary plant manufactures stile and rail doors. The Shelton plant makes plywood for concrete forms, highway signs and boat hulls.

Boat Repair Reviving

Ak-Wa Inc., a Tacoma shipyard, decided to concentrate its efforts on the commercial fishing business and now finds its drydock full of fishing boats in need of repair or modification. Two of the vessels are being widened to add stability and capacity, one has been cut in half and is having 24 feet of hull added to its mid-section and another is being modified to allow for on-board processing. The yard currently employs about 240 workers.

The Changing Face Of Retailing

In another move that illustrates the changes occurring in the retail trade sector, Costco announced plans to add two dozen new warehouse-stores in its existing markets in the next two years. Costco estimates its net sales will reach $2.9 billion for the fiscal year ending September 3rd, an increase of almost one billion dollars from last year.

Education And Training Needed To Remain Competitive

Hewlett Packard Co., a name almost synonymous with electronics and computers, hires college professors to teach its computer makers about computers. Recognizing that education, technology and competition walk hand-in-hand, the Palo Alto, Ca.-based company not only reimburses tuition and fees for its employees taking college coursework, but it also has started tailoring courses taught at the plant. This on-site program is just one year old and is geared to employees who want to complete college courses but feel uncomfortable on campus or lack the resources.

Not All Mergers Prove Beneficial

Proving that bleach and stain don't mix, Clorox has decided to sell its Olympic Stain subsidiary. Clorox purchased the Olympic HomeCare Products in 1981. At that time, the Bellevue-based stain maker had sales of $104 million, profits of $10.9 million and had grown at an annual rate of 20 percent over the previous five years. In the fiscal year ending June 1988, Olympic, even combined with Lucite, had sales of $107 million and profits of just $2.9 million.

Mobile Data Moving In

Mobile Data International, the Canadian subsidiary of Motorola, announced plans to move its corporate headquarters to the Bothell area. Mobile Data manufactures mobile data communication systems. The move consolidates research and development, distribution, engineering and manufacturing operations now in Florida and Illinois. The office is expected to open early next year. Initially they will employ 100 workers and potentially up to 400 workers within the next four years.

NATIONAL INDICATORS

Cooling Off Period

The operating rate for U.S. factories dropped another notch in May. According to the Federal Reserve, the operating rate was 83.8 percent, down 0.3 percentage points from April. Rates have cooled off since January when they hit 84.3 percent. Economists lauded the figures as confirming the Soft Landing scenario. A rate above 85 percent is considered an indicator of inflationary pressures.

Leading Indicators Fall Again

The Index of Leading Economic Indicators fell one-tenth of a point in June following a large 1.2 point drop in May. The indicator has moved downward in four of the last five months. Though it is conventional wisdom that a three consecutive month decline protends a recession, beware that this formula has fortold 20 of the last 12 recessions. Most recently it fell 5 straight months, from September 1987 through January 1988, yet the economy continued to grow. Those components drawing the index down were raw materials prices, workweek, unemployment insurance claims, orders for consumer goods, building permits, unfilled durable goods orders and inventories.

Inflation On The Run?

For the first time in 18 months, the Producer Price Index fell. June figures from the U.S. Department of Labor were a scant 0.1 percent below May figures. That is enough, however, to help further allay inflation fears and confirm the slowing pace of the nation's economy.

CONSUMER PRICE INDEX

(All Items, Urban Consumers, 1982-1984=100)

	INDEXES			PERCENT CHANGE Year Ending	
	June 89	May 89	June 88	June 89	June 88
U.S. AVG	124.1	123.8	118.0	5.4%	5.2%
	July-Dec 1988	July-Dec 1987		PERCENT CHANGE July-Dec 87-88	
SEATTLE *	113.8	110.3		3.2%	

* The Seattle index reflects prices in King, Pierce and Snohomish counties.

SOURCE: U.S. Department of Labor, Bureau of Labor Statistics.

NONAGRICULTURAL WAGE & SALARY WORKERS IN WASHINGTON STATE, PLACE OF WORK [1]
(In Thousands)

NOT SEASONALLY ADJUSTED INDUSTRY	June 1989 (Prel.)	May 1989 (Rev.)	June 1988 (Rev.)	May 1988 (Rev.)	NUMERIC CHANGE May 1989 to June 1989	NUMERIC CHANGE June 1988 to June 1989
TOTAL NONAG. WAGE AND SALARY	2,053.2	2,034.2	1,961.3	1,934.1	19.0	91.9
MANUFACTURING	361.3	357.4	340.6	337.4	3.9	20.7
Durable Goods	260.6	257.8	242.2	239.2	2.8	18.4
Lumber & Wood Products	43.4	42.8	43.1 [3]	42.2	0.6	0.3
Furniture & Fixtures	4.3	4.3	4.2	4.2	0.0	0.1
Stone, Clay & Glass	7.8	7.6	7.7	7.5	0.2	0.1
Primary Metals	13.4	13.3	12.7 [3]	12.4	0.1	0.7
Aluminum	9.1	9.0	8.7	8.4	0.1	0.4
Fabricated Metals	11.4	11.2	10.9	10.7	0.2	0.5
Machinery	34.0	33.7	31.3	31.0	0.3	2.7
Machinery (Exc. Elec.)	19.7	19.5	17.9	17.9	0.2	1.8
Electrical Equipment	14.3	14.2	13.4	13.1	0.1	0.9
Transportation Equipment	128.7	127.4	115.4	114.5	1.3	13.3
Aerospace	113.7	112.3	100.2	99.3	1.4	13.5
Other Transp. Equipment	15.0	15.1	15.2	15.2	-0.1	-0.2
Instruments & Related	11.8	11.7	11.6	11.6	0.1	0.2
Misc. Manufacturing	5.8	5.8	5.3	5.1	0.0	0.5
Nondurable Goods	100.7	99.6	98.4	98.2	1.1	2.3
Food & Kindred Products	34.6	34.4	33.4	33.7	0.2	1.2
Canned & Preserved Foods	13.2	13.2	12.9	13.2	0.0	0.3
Apparel & Allied Products	6.2	6.1	6.1	6.1	0.1	0.1
Paper & Allied Products	17.6	17.1	17.3	17.0	0.5	0.3
Printing & Publishing	21.9	21.8	21.5	21.3	0.1	0.4
Chemicals & Allied Products	10.2	10.1	10.5	10.7	0.1	-0.3
Other Nondurable Goods [2]	10.2	10.1	9.6	9.4	0.1	0.6
MINING & QUARRYING	3.5	3.5	3.4	3.3	0.0	0.1
CONSTRUCTION	108.4	103.9	98.9	94.7	4.5	9.5
TRANSP.,COMM. & UTILITIES	106.4	104.7	102.4	100.5	1.7	4.0
WHOLESALE & RETAIL TRADE	499.4 [3]	496.8	480.5 [3]	470.3 [3]	2.6	18.9
Wholesale Trade	123.3	119.6	117.5	114.1	3.7	5.8
Retail Trade	376.1 [3]	377.2	363.0 [3]	356.2 [3]	-1.1	13.1
FIN. INS. & REAL ESTATE	115.6	113.9	110.5	109.4	1.7	5.1
SERVICES	473.1	470.2	449.9	446.2	2.9	23.2
Health Services	139.7	138.3	134.8	133.1	1.4	4.9
GOVERNMENT	385.5	383.8	375.1	372.2	1.7	10.4
Federal	73.4	72.6	73.3	71.5	0.8	0.1
State & Local	312.1	311.2	301.8	300.7	0.9	10.3
Education	165.4	167.9	158.9	162.7	-2.5	6.5
WORKERS INVOLVED IN LABOR-MANAGEMENT DISPUTES	8.0	0.0	0.7	0.3	0.0	-0.7

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[1] **Excludes proprietors, self-employed, members of armed forces, and private household employees. Includes all full- and part-time wage and salary workers receiving pay during the pay-period including the 12th of the month.**

[2] **Includes textile mill products, rubber and miscellaneous plastic products, petroleum refining and related products and leather products.**

[3] **Workers excluded because of involvement in labor management disputes.**

Washington State
Employment Security Department
Labor Markety and Economic Analysis Branch

RESIDENT LABOR FORCE AND EMPLOYMENT IN WASHINGTON STATE AND LABOR MARKET AREAS

DATE: 8/1/89
Benchmark: 1988

	JUNE 1989 Preliminary [1]				MAY 1989 Revised [1]				JUNE 1988 Revised [1]			
	Labor Force	Employment	Unemployment	Unemp. Rate	Labor Force	Employment	Unemployment	Unemp. Rate	Labor Force	Employment	Unemployment	Unemp. Rate
Washington State total	2,437,900	2,305,200	132,700	5.4	2,441,500	2,308,600	132,900	5.4	2,301,700	2,159,900	141,800	6.2
Bellingham MSA	61,200	57,200	4,000	6.5	62,000	58,100	3,900	6.3	58,700	54,300	4,400	7.5
Bremerton MSA	78,300	74,800	3,500	4.5	79,300	75,800	3,500	4.4	75,700	71,300	4,400	5.8
Olympia MSA	78,200	74,100	4,100	5.2	80,400	76,300	4,100	5.1	74,700	69,900	4,800	6.4
Seattle PMSA	1,086,200	1,038,400	47,800	4.4	1,098,700	1,049,700	49,000	4.5	1,008,000	956,800	51,200	5.1
King County [2]	860,500	822,200	38,300	4.5	869,500	831,200	38,300	4.4	798,000	757,600	40,400	5.1
Snohomish County [2]	225,800	216,200	9,600	4.3	229,200	218,500	10,700	4.7	210,000	199,200	10,800	5.1
Spokane MSA	171,600	162,200	9,400	5.5	175,000	165,800	9,200	5.3	163,000	152,600	10,400	6.4
Tacoma PMSA	253,200	238,600	14,600	5.8	255,200	240,800	14,400	5.6	237,900	222,400	15,500	6.5
Tri-Cities MSA	77,500	72,500	5,000	6.5	72,500	67,600	4,900	6.8	77,200	71,100	6,100	7.9
Benton County [2]	59,800	56,000	3,800	6.4	55,300	52,200	3,100	5.6	59,700	54,900	4,800	8.0
Franklin County [2]	17,800	16,500	1,300	7.3	17,100	15,400	1,700	9.9	17,600	16,200	1,400	8.0
Vancouver PMSA	120,700	114,000	6,700	5.6	121,600	115,600	6,000	4.9	115,200	108,200	7,000	6.1
Yakima MSA	107,200	98,000	9,200	8.6	97,600	88,000	9,600	9.8	102,600	93,400	9,200	9.0
Adams	7,330	6,880	450	6.1	7,040	6,520	520	7.4	7,070	6,470	600	8.5
Asotin	9,790	9,400	390	4.0	9,940	9,540	400	4.0	9,150	8,630	520	5.7
Clallam	22,810	21,200	1,610	7.1	23,010	21,330	1,680	7.3	23,140	21,370	1,770	7.6
Columbia	2,730	2,550	180	6.6	3,040	2,870	170	5.6	2,610	2,440	170	6.5
Cowlitz	37,130	34,670	2,460	6.6	37,430	34,980	2,450	6.5	35,580	33,200	2,380	6.7
Ferry	2,920	2,600	320	11.0	2,940	2,560	380	12.9	2,890	2,620	270	9.3
Garfield	1,120	1,100	20	1.8	1,120	1,090	30	2.7	1,120	1,070	50	4.5
Grant	27,440	25,150	2,290	8.3	25,870	23,840	2,030	7.8	26,580	24,410	2,170	8.2
Grays Harbor	25,880	23,760	2,120	8.2	25,630	23,480	2,150	8.4	25,990	23,910	2,080	8.0
Island	20,760	19,990	770	3.7	20,840	20,030	810	3.9	19,210	18,330	880	4.6
Jefferson	8,360	7,990	370	4.4	8,470	8,080	390	4.6	8,060	7,650	410	5.1
Kittitas	11,850	10,890	960	8.1	11,900	10,790	1,110	9.3	11,600	10,560	1,040	9.0
Klickitat	8,390	7,440	950	11.3	8,110	7,220	890	11.0	8,220	7,230	990	12.0
Lewis	25,450	23,760	1,690	6.6	25,790	23,970	1,820	7.1	24,720	22,810	1,910	7.7
Lincoln	4,590	4,430	160	3.5	4,520	4,370	150	3.3	4,540	4,350	190	4.2
Mason	15,260	14,320	940	6.2	15,040	14,140	900	6.0	13,210	12,290	920	7.0
Okanogan	16,730	15,020	1,710	10.2	15,600	13,900	1,700	10.9	15,770	13,970	1,800	11.4
Pacific	7,780	7,140	640	8.2	7,730	7,070	660	8.5	7,340	6,830	510	6.9
Pend Oreille	3,540	3,160	380	10.7	3,620	3,250	370	10.2	3,370	2,950	420	12.5
San Juan	6,290	6,080	210	3.3	5,630	5,400	230	4.1	5,930	5,740	190	3.2
Skagit	34,510	31,910	2,600	7.5	33,530	30,880	2,650	7.9	34,070	31,360	2,710	8.0
Skamania	2,730	2,360	370	13.6	2,660	2,340	320	12.0	2.500	2,190	310	12.4
Stevens	12,610	11,670	940	7.5	12,420	11,490	930	7.5	11,790	10,840	950	8.1
Wahkiakum	1,190	1,120	70	5.9	1,180	1,120	60	5.1	1,220	1,140	80	6.6
Walla Walla	24,940	23,610	1,330	5.3	25,840	24,670	1,170	4.5	24,780	23,520	1,260	5.1
Wenatchee Labor Area	43,870	39,870	4,000	9.1	41,120	37,100	4,020	9.8	41,300	37,600	3,700	9.0
Chelan County 2/	29,620	26,700	2,920	9.9	27,640	24,840	2,800	10.1	28,050	25,180	2,870	10.2
Douglas County 2/	14,260	13,170	1,090	7.6	13,480	12,260	1,220	9.1	13,250	12,420	830	6.3
Whitman	17,820	17,440	380	2.1	19,500	18,970	530	2.7	16,980	16,430	550	3.2

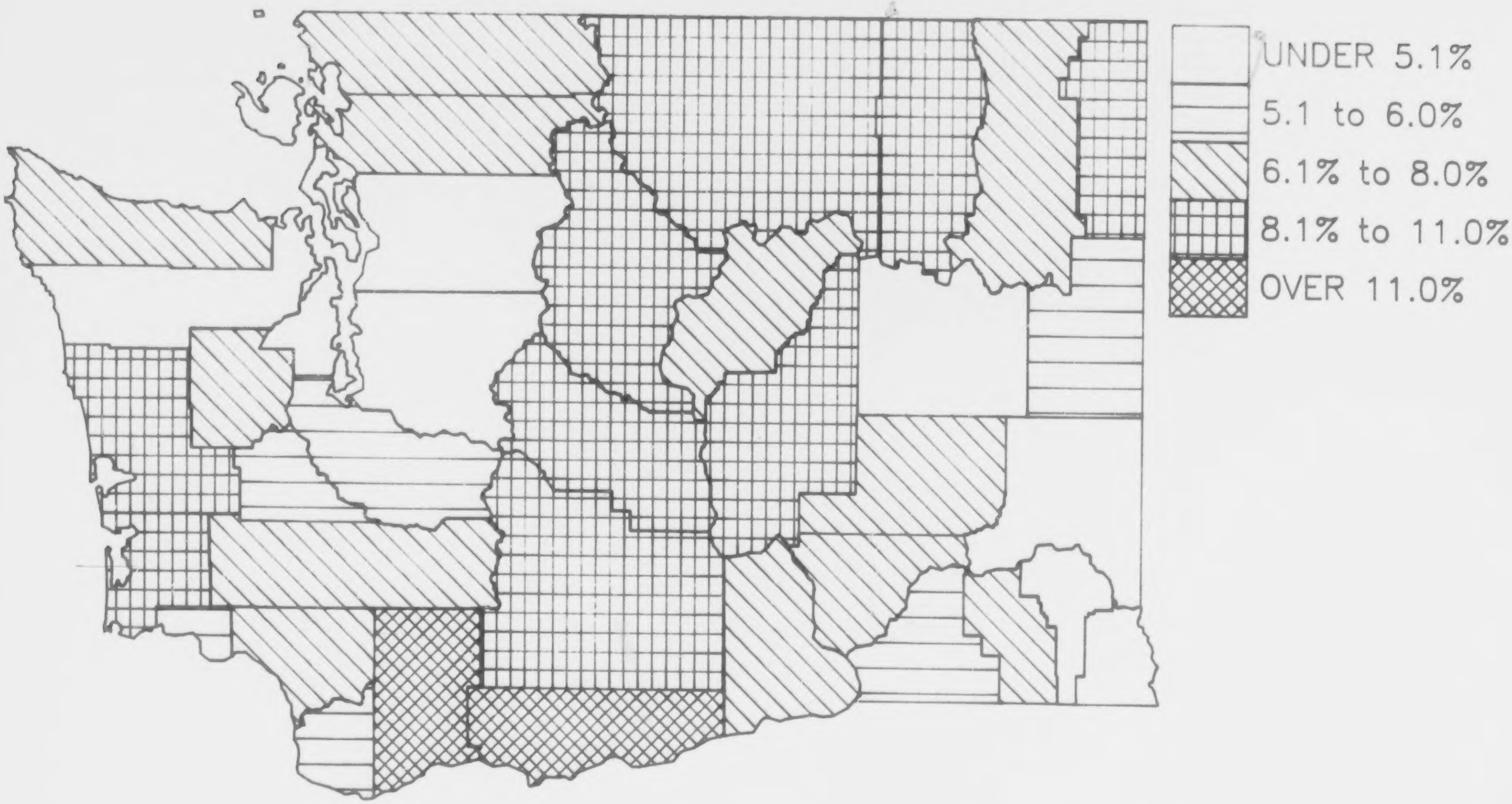
[1] Official U.S. Department of Labor, Bureau of Labor Statistics data.

[2] Estimates are determined by using the Population/Claims Share disaggregation methodology.

Note: Detail may not add due to rounding

JUNE UNEMPLOYMENT RATES

STATE OF WASHINGTON 5.4


UNDER 5.1%
5.1 to 6.0%
6.1% to 8.0%
8.1% to 11.0%
OVER 11.0%

ESTIMATED AVERAGE HOURS AND EARNINGS OF PRODUCTION WORKERS IN MANUFACTURING AND OF NONSUPERVISORY WORKERS IN NONMANUFACTURING ACTIVITIES, STATE OF WASHINGTON

	June Production/ Nonsupervisory Workers[1]	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
		June-89	May-89	June-88	June-89	May-89	June-88	June-89	May-89	June-88
TOTAL MANUFACTURING INDUSTRIES [2]	216,937	$503.46	$498.98	$474.01	40.7	40.9	39.9	$12.37	$12.20	$11.88
SELECTED MANUFACTURING INDUSTRIES										
Lumber and Wood Products	36,711	$463.20	$456.00	$427.98	40.0	40.0	39.3	$11.58	$11.40	$10.89
Primary Metal Industries	10,483	$535.50	$540.16	$538.79	42.0	42.2	43.0	$12.75	$12.80	$12.53
Fabricated Metal Products	9,147	$501.70	$484.62	$456.20	41.6	41.0	40.3	$12.06	$11.82	$11.32
Machinery	22,391	$380.83	$379.82	$380.43	39.1	39.4	40.3	$9.74	$9.64	$9.44
Food and Kindred Products	25,740	$359.73	$363.72	$340.91	36.3	38.9	36.5	$9.91	$9.35	$9.34
Chemical and Allied Products	4,150	$615.09	$608.79	$632.84	40.6	39.0	38.1	$15.15	$15.61	$16.61
Transportation Equipment	60,607	$643.80	$637.48	$598.96	44.4	44.3	42.6	$14.50	$14.39	$14.06
SELECTED NONMANUFACTURING INDUSTRIES										
Construction	79,566	$619.50	$614.33	$592.49	37.5	37.3	37.1	$16.52	$16.47	$15.97
Wholesale and Retail Trade (does not include eating and drinking establishments)	290,945	$322.56	$321.01	$308.03	33.6	33.3	32.7	$9.60	$9.64	$9.42

1 Preliminary

2 Average hourly earnings for all manufacturing production workers reported in this table do not exactly reflect the official US Bureau of Labor Statistics definition of "wages". While these data still constitute a valid economic indicator series, they should not be sues at this time for the negotiation of contracts whose monetary provisions depend upon official US Bureau of Labor Statistics hourly earning data.

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10/7/89

Washington LABOR MARKET

August 1989

JOB SERVICE

Washington State
Employment Security

Isiah Turner
Commissioner

Prepared by the
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Economic Analysis Branch
(206) 438-4800

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Director

In cooperation with the
Employment and Training
Administration
U.S. Department of Labor

Highlights

Summer Break For Students And Some Workers

The July jobless rate for the state of Washington jumped up one-tenth of a point from June to reach 5.7 percent of the work force. This was not unexpected as movement of noncertified workers from the school systems for the summer recess added to the ranks of those looking for work. The comparable national unemployment figure fell two-tenths to reach 5.3 percent in July.

Total nonagricultural wage and salary employment fell 25,900 between June and July. Education payrolls dropped 35,600 in public schools and another 2,300 in private institutions. Come September, it is quite possible that a greater number will be added to district staffs in response to increases in school-age population.

Other typical fluctuations showed up in the agricultural and food processing industries. Because they were between crops, waiting for the soft fruits to ripen, fewer workers were engaged in the processing and wholesale distribution of fresh fruits and vegetables.

Volume 13, Number 8

RESIDENT CIVILIAN LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT IN WASHINGTON STATE

	July 1989 prelim.	June 1989 revised	July 1988
Resident Civilian Labor Force	2,431,400	2,441,300	2,342,0
Employment	2,292,600	2,304,800	2,196,
Unemployment	138,800	136,500	145,100
Unemployment Rate	5.7%	5.6%	6.2
National Unemployment Rate	5.3%	5.5%	5.5

Data in this table are not seasonally adjusted.

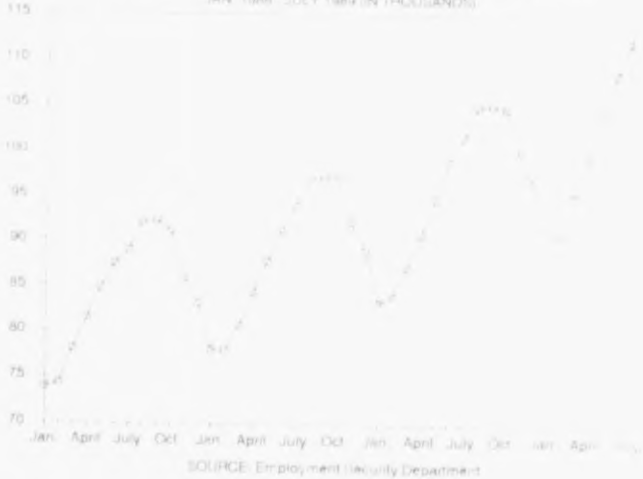
Official U.S. Department of Labor, Bureau of Labor Statistics data

INDUSTRY DEVELOPMENTS

Construction activity in Washington was at its highest July level since the zenith of WPPSS activity in July of 1979 and experienced its largest June-July gain ever (3,600). Continued road-building and commercial projects (not another strip-mall!) have been dominating much of this activity. In the meantime, in order to more quickly accommodate the large influx of new population, residential construction has concentrated on multi-family rather than single-family dwellings.

WASHINGTON STATE CONSTRUCTION JOBS

JAN. 1986 - JULY 1989 (IN THOUSANDS)



SOURCE: Employment Security Department

Is The Top In Sight?

Monthly increases in aerospace employment appear to be moderating. Between January and June, over-the-month differences averaged 1,300 new workers, while the June-July difference was 800. Current concerns about workers on the B-2 project and in Boeing Electronics could further moderate these gains over the next several months.

Can't Tell The Players Without A Program

The logging and lumber industry was down several hundred workers between June and July. All the movement was related to decreased logging activity whereas milling activity remained unchanged. With so many additional players in the game today, it is hard to tell why this downturn occurred; was it for litigious reasons, housing market fluctuations (local, national or international), too much inventory build-up or some other esoteric reason? I only know for sure that it was not weather related.

Trade Comparisons Troublesome

Some atypical movement was seen in retail trade. The labor dispute involving 8,000 food store workers was still being felt throughout the division, retarding monthly and annual changes. Preliminary employment estimates for eating and drinking establishments were actually down a bit from June figures. This is more likely a problem with employee retention rather than a falloff in demand.

Bus Drivers Take A Breather

The effects of the summer vacation for the school districts do not stop with local government employment. Within the transportation industry, local, suburban and interurban payrolls declined 300 as a result of school bus fleets being idled for the summer.

Business is Healthy And Health is Healthy

Though their month-to-month employment gains were modest, services still leads all major industry divisions in over-the-year increases with 26,800 new jobs. Business and health services in combination added over 50 percent of all new services jobs. Within business services, the fastest growing sector has been computer and data processing services. In the twelve months since July, 1988, employment has surged 19.8 percent or 2,200 new jobs.

Who's Spreading Those Stories Anyway

In other over-the-year developments, the finance, insurance and real estate division has shown renewed strength. Banking establishments alone have added 1,000 to their payrolls. The big news, however, is in real estate whose payrolls have grown 2,200 in the 12-month span. The seemingly unending influx of new population has generated a get-it-while-you-can home-buying attitude. Horror stories of monied Californians have saturated the Puget Sound region and helped spur locals to make quick purchasing decisions.

AREA TRENDS

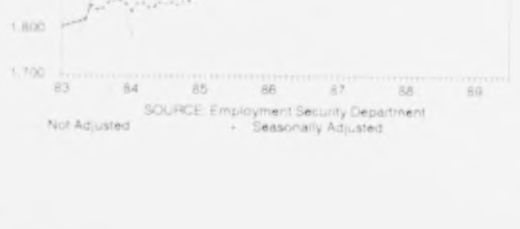
A majority of the labor markets in Washington experienced an increased jobless rate between June and July and many were for similar reasons: school-year and agricultural fluctuations.

Seattle Leads Metro Areas

Among the metropolitan areas, only the Seattle PMSA experienced no change in its jobless rate, remaining at a mere 4.5 percent. The unemployment rate in all other metro-areas rose anywhere from a modest one-tenth of a point in Tacoma (5.9 in June to 6.0 in July) to over a full percentage point in Yakima (8.9 percent in June to 10.2 in July).

The Smaller They Are The Harder They Are To Predict

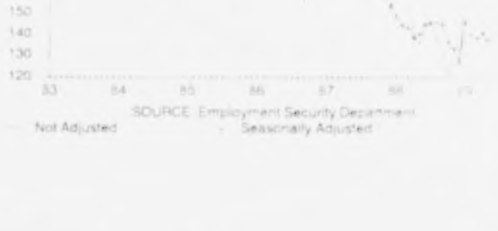
The smaller labor market areas were, of course, much more volatile. Contrary to the large-area pattern, a majority of the non-metro areas (14 out of 27) reported an improved jobless situation. Despite that, a few did report some extreme June-July movement, both Adams and Columbia close to doubled their unemployment rates: from 6.4 to 13.6 in Adams and from 6.6 to 13.1 in Columbia. Both areas were suffering from the between-crop doldrums. This in turn created an unusual situation: long-suffering Skamania county, whose jobless rate declined between June and July, was no longer the area with the highest unemployment rate.



STATE TOTAL RESIDENT EMPLOYMENT

JAN 1983 - JULY 1989 (IN THOUSANDS)

SOURCE: Employment Security Department



STATE TOTAL RESIDENT UNEMPLOYMENT

JAN 1983 - JULY 1989 (IN THOUSANDS)

SOURCE: Employment Security Department

How Low Can They Go?

Only in a small area can 10 workers drop off the unemployment rolls and cause the unemployment rate to fall almost a full percentage point. Well, this happened in Garfield county. Garfield and Whitman counties have been neck-and-neck in the lowest unemployment rate rankings for the past few months with Garfield taking the lead in July.

Who Are The Unemployed?

Recent news stories have reported on the declining share of unemployed workers who receive unemployment insurance. On the national level, it appears that less than one-third of all jobless workers receive UI. This fraction varies markedly between states as eligibility criteria and administrative policies differ by geographic region. Washington state has been well above the national average; closer to 50 percent of jobless workers in calendar 1988 received jobless benefits.

The real crux of the matter is why workers are unemployed. Jobless workers can be divided into four broad categories:

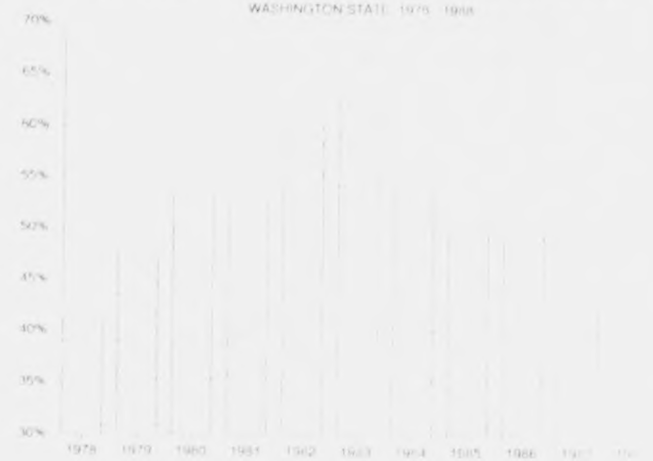
- Job Losers - those who lost their last job through no fault of their own.
- Job Leavers - those who voluntarily quit, be it to follow a spouse or because of job dissatisfaction.
- New Entrants - those looking for their very first job.
- Re-Entrants - those who had been out of the work force for a while, possibly for health reasons or child rearing, and are now returning.

It is job-losers - those who lost their last job through no fault of their own - that unemployment insurance is supposed to protect.

How many of the unemployed are actually job-losers? In calendar year 1988, it is estimated that 44.3 percent of the unemployed in Washington were job-losers; an annual average of 62,500 out of the 141,000 total unemployed. However, this ratio changes markedly over the course of the business cycle. In 1983, at the peak of the last recession, job-losers made-up 62.7 percent of the total count of jobless workers. It is apparent that economic growth, in and of itself, contributes to the declining share of job-losers.

That does not tell the whole story, however. The industries that have grown fastest in the last decade, services and retail trade, have been those that use a higher

JOB LOSERS AS A % OF TOTAL UNEMPLOYMENT



WASHINGTON STATE 1978-1988

SOURCE: U.S. Department of Labor, BLS

than average share of part-time workers. Part-time workers have been estimated to comprise 21.5 percent of all employed workers as of 1988. It has been hypothesized that a lesser share of part-time workers are aware of their unemployment insurance eligibility than are their full-time counterparts. And, in many states, though not in Washington, changes in UI policy over the past few years have also placed additional qualifying criteria on jobless workers.

No doubt the demographic composition of the work force also plays a factor. The increased share of job-leavers and re-entrants has probably been influenced by the return to a more normal fertility rate among women in their prime child-bearing years, ages 25 to 34. As a result, work force continuity and UI eligibility have probably declined a bit in the past few years.

In any event, there does not seem to be any one overwhelming reason for the declining share of jobless workers nationwide receiving unemployment insurance; agency policies, industry restructuring, economic expansion and workforce demographics have each played an important role.

INDUSTRY NOTES

Feds Buy Fruit

With the early July announcement that the Federal Government would cough up $15 million to purchase apples, shipments perked up considerably. Until then shipments were running about 25 percent below year-earlier levels and inventories were running up to 53 percent higher than comparable periods. But as of the second week in July, shipments increased to 898,000 42-pound boxes per/week.

Life Is A Box Of Cherries

The good news on the agricultural front stems from cherries. Washington cherry growers have done their homework on the Japanese market, and as a result have made some significant inroads. About 30 percent of all Washington and Oregon cherries are exported to Japan, Taiwan, Hong Kong, Singapore, Thailand, South Korea, England, Sweden, Finland and the Middle East. It is Japan that buys about half of all Washington cherry exports even though air-freight charges can add more than one dollar per pound to the price.

B-2 Workers Hard To Detect

Boeing had everyone guessing as to their involvement in the B-2 Stealth Bomber project up until recently. According to Boeing Advanced Systems, the division that builds lightweight, composite wing assemblies for the B-2, over 5,000 local workers have been engaged on the project. Nine companies in Washington and a total of 156 companies in 46 states are either subcontractors or suppliers to Northrop Corporation, the prime contractor for the B-2.

Honey, While You're At The Store Pick Up Some Bread, Eggs, Milk, Loan Application, ...

In a move that illustrates the changing, more competitive nature of the banking and finance industry, Pacific First Federal Savings Bank announced plans to open two branches in Seattle-area QFC food stores. Seafirst already has a branch in an Olympia Top Foods store, and Security Pacific, Olympic Savings and Pioneer Federal Savings Bank are planning branches for Safeway stores. The major advantage of such facilities is they can be opened for about one-tenth the cost of a free standing branch. The branches will be open the same hours as the store and offer deposit, withdrawal, checking, savings, money market accounts and consumer loan services.

NATIONAL INDICATORS

Plant Capacity Even

Plant operating capacity continued at a more moderate pace in July. Figures from the Federal Reserve reported factory utilization across the nation at 83.6 percent, the same as in June. The question this invokes is whether this moderate use resulted from the decline in orders for factory goods or from the actual expansion of plant capacity.

Factory Orders Down

Speaking of which, factory orders did decline 1.7 percent in July, this after increasing 0.6 percent in June.

Much of this downturn stems from a decline in orders for durable goods such as aircraft and automobiles.

Housing Starts Up

Housing starts, suppressed by a cautious public for the past several months, took a positive turn this July. On the strength of a 6.3 percent surge in single-family starts (which pushed their annualized rate to just over one million units), total housing starts rose 0.8 percent. That translates to an annual rate of 1.43 million units nationwide.

Producer Prices Down

More good news on the inflation front . . . producer prices for finished goods fell 0.4 percent in July, following an earlier 0.1 percent drop in June. This should carry over to the retail side, providing further evidence of inflation's waning.

CONSUMER PRICE INDEX

(All Items, Urban Consumers, 1982-1984=100

	INDEXES			PERCENT CHANGE FROM	
	July 89	June 89	July 88	June 89	July 88
U.S. AVG	124.4	124.1	118.5	0.2%	5.0%
	Jan-Jun 1989	Jul-Dec 1988	Jan-Jun 1988	2nd Half 1988	1st Half 1988
SEATTLE*	116.7	113.8	111.9	2.5%	4.3%

*The index for Seattle reflects prices in King, Pierce and Snohomish Counties.

SOURCE: U.S. Department of Labor, Bureau of Labor Statistics.

NONAGRICULTURAL WAGE & SALARY WORKERS IN WASHINGTON STATE, PLACE OF WORK [1]

(In Thousands)

Not Seasonally Adjusted					Numeric Change	
INDUSTRY	July 1989 (Prel)	June 1989 (Rev)	July 1988 (Rev)	June 1988 (Rev)	June 1989 to July 1989	July 1988 to July 1989
TOTAL NONAG. WAGE AND SALARY	2027.7	2053.6	1935.8	1961.3	-25.9	91.9
MANUFACTURING	362.8	361.0	338.6	340.6	1.8	24.2
Durable Goods	261.5	260.5	241.3	242.2	1.0	20.2
Lumber and Wood Products	43.3	43.5	41.4[3]	43.1[3]	-0.2	1.9
Furniture & Fixtures	4.3	4.3	4.2	4.2	0.0	0.1
Stone, Clay & Glass	7.9	7.8	7.8	7.7	0.1	0.1
Primary Metals	13.4	13.4	12.8[3]	12.7[3]	0.0	0.6
Aluminum	9.1	9.1	8.9	8.7	0.0	0.2
Fabricated Metals	11.4	11.3	11.0	10.9	0.1	0.4
Machinery	34.1	34.0	31.5	31.3	0.1	2.6
Machinery (Except Electric)	19.6	19.7	18.0	17.9	-0.1	1.6
Electrical Equipment	14.5	14.3	13.5	13.4	0.2	1.0
Transportation Equipment	129.3	128.6	115.7	115.4	0.7	13.6
Aerospace	114.5	113.7	100.7	100.2	0.8	13.8
Other Transportation Equipment	14.8	14.9	15.0	15.2	-0.1	-0.2
Instruments & Related	11.9	11.8	11.6	11.6	0.1	0.3
Miscellaneous Manufacturing	5.9	5.8	5.3	5.3	0.1	0.6
Nondurable Goods	101.3	100.5	97.3	98.4	0.8	4.0
Food & Kindred Products	34.3	34.3	32.0	33.4	0.0	2.3
Canned & Preserved Foods	12.6	12.9	11.1	12.9	-0.3	1.5
Apparel & Allied Products	6.3	6.2	6.3	6.1	0.1	0.0
Paper & Allied Products	17.9	17.7	17.6	17.3	0.2	0.3
Printing & Publishing	22.0	21.9	21.5	21.5	0.1	0.5
Chemicals & Allied Products	10.3	10.2	10.4	10.5	0.1	-0.1
Other Nondurable Goods[2]	10.5	10.2	9.5	9.6	0.3	1.0
MINING & QUARRYING	3.5	3.5	3.4	3.4	0.0	0.1
CONSTRUCTION	112.2	108.6	101.6[3]	98.9	3.6	10.6
TRANSP., COMMS. & UTILITIES	107.4	106.3	103.0	102.4	1.1	4.4
WHOLESALE & RETAIL TRADE	498.7[3]	499.4[3]	480.8[3]	480.5[3]	-0.7	17.9
Wholesale Trade	122.2	123.4	116.8	117.5	-1.2	5.4
Retail Trade	376.5[3]	376.0[3]	364.0[3]	363.0[3]	0.5	12.5
FINANCE, INSURANCE & REAL ESTATE	116.0	115.5	111.1	110.5	0.5	4.9
SERVICES	473.7	473.9	446.9	449.9	-0.2	26.8
Health Services	140.7	139.8	134.4	134.8	0.9	6.3
GOVERNMENT	353.4	385.4	350.4	375.1	-32.0	3.0
Federal	73.9	73.4	73.2	73.3	0.5	0.7
State & Local	279.5	312.0	277.2	301.8	-32.5	2.3
Education	129.9	165.5	128.7	158.9	-35.6	1.2
(WORKERS IN LABOR-MANAGEMENT DISPUTES)	8.0	8.0	2.4	0.7	0.0	5.6

[1] Excludes proprietors, self-employed, members of armed forces, and private household employees. Includes all full- and part-time wage and salary workers receiving pay during the pay period including the 12th of the month.

[2] Includes textile mill products, rubber and miscellaneous plastic products, petroleum refining and related products, and leather products.

[3] Workers excluded because of involvement in labor-management disputes

Washington State
Employment Security Department
Labor Market and Economic Analysis Branch

RESIDENT LABOR FORCE AND EMPLOYMENT IN WASHINGTON STATE AND LABOR FORCE MARKET AREAS

(Not Seasonally Adjusted)

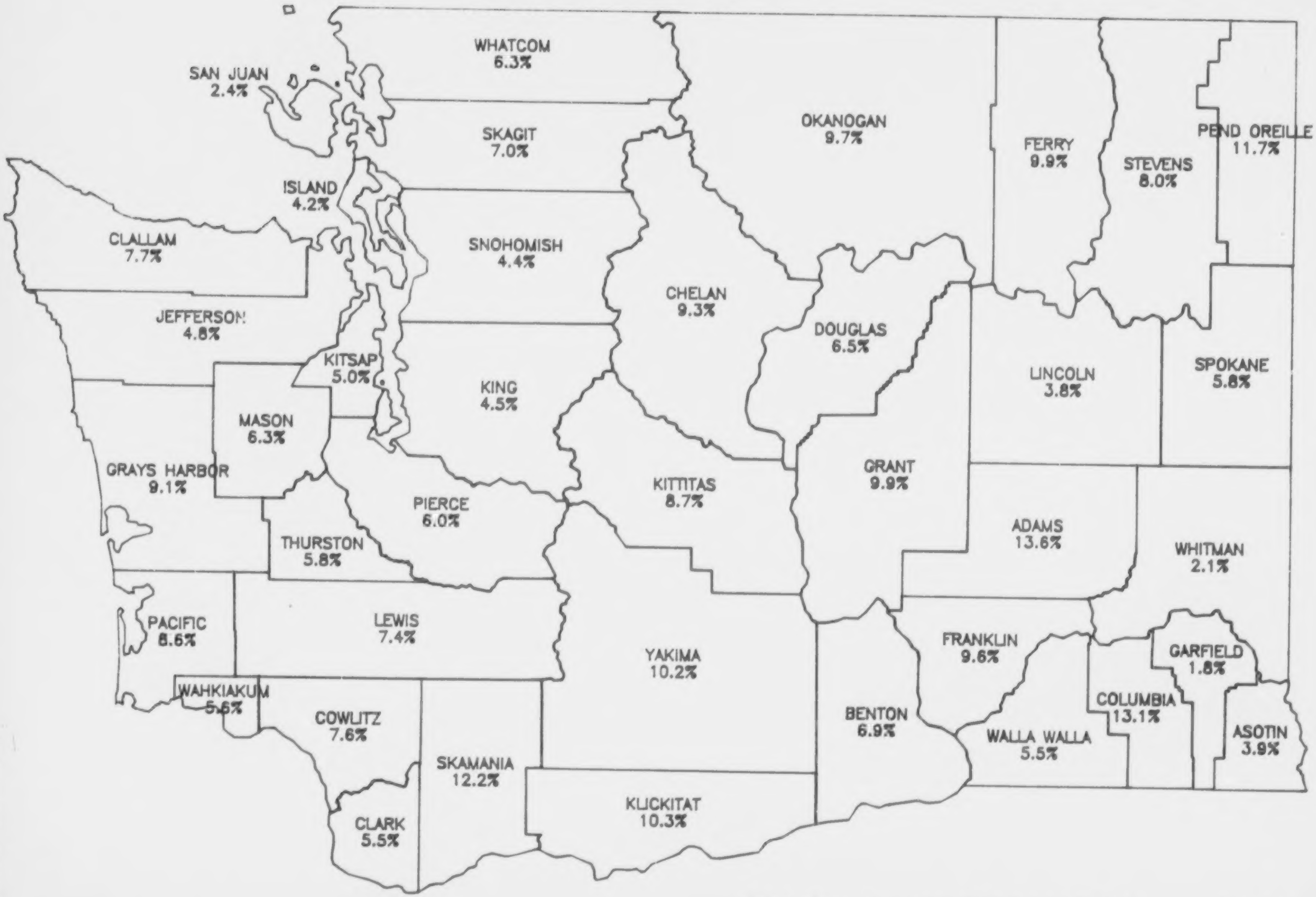
DATE: 8/29/89
Benchmark : 1988

	JULY 1989 PRELIMINARY[1]				JUNE 1989 REVISED[1]				JULY 1988 REVISED[1]			
	Labor Force	Employment	Unemployment	Unemp Rate	Labor Force	Employment	Unemployment	Unemp Rate	Labor Force	Employment	Unemployment	Unemp Rate
Washington State total	2,431,400	2,292,600	138,800	5.7	2,441,300	2,304,800	136,500	5.6	2,342,000	2,196,900	145,100	6.2
Bellingham MSA	62,200	58,300	3,900	6.3	61,800	57,700	4,100	6.6	59,700	55,800	3,900	6.5
Bremerton MSA	77,600	73,700	3,900	5.0	77,700	74,000	3,700	4.8	76,900	72,600	4,300	5.6
Olympia MSA	79,000	74,400	4,600	5.8	78,400	74,200	4,200	5.4	76,200	71,300	4,900	6.4
Seattle PMSA	1,092,400	1,043,100	49,300	4.5	1,089,400	1,040,300	49,100	4.5	1,036,000	983,600	52,400	5.1
King County[2]	865,100	825,900	39,200	4.5	862,900	823,700	39,200	4.5	820,200	778,800	41,400	5.0
Snohomish County[2]	227,300	217,200	10,100	4.4	226,600	216,600	10,000	4.4	215,800	204,800	11,000	5.1
Spokane MSA	170,500	160,600	9,900	5.8	172,300	162,600	9,700	5.6	165,000	154,800	10,200	6.2
Tacoma PMSA	252,100	237,000	15,100	6.0	252,400	237,400	15,000	5.9	243,300	227,600	15,700	6.5
Tri-Cities MSA	71,400	66,000	5,400	7.6	77,800	72,700	5,100	6.6	70,500	64,700	5,800	8.2
Benton County[2]	54,800	51,000	3,800	6.9	60,000	56,200	3,800	6.3	54,400	50,000	4,400	8.1
Franklin County[2]	16,600	15,000	1,600	9.6	17,800	16,500	1,300	7.3	16,100	14,700	1,400	8.7
Vancouver PMSA	121,500	114,800	6,700	5.5	121,500	114,600	6,900	5.7	117,100	110,400	6,700	5.7
Yakima MSA	99,400	89,300	10,100	10.2	105,800	96,400	9,400	8.9	97,600	87,500	10,100	10.3
Adams	7,300	6,310	990	13.6	7,370	6,900	470	6.4	7,200	6,070	1,130	15.7
Asotin	9,730	9,350	380	3.9	9,830	9,430	400	4.1	9,300	8,810	490	5.3
Clallam	23,140	21,360	1,780	7.7	22,900	21,260	1,640	7.2	23,550	21,810	1,740	7.4
Columbia	1,830	1,590	240	13.1	2,730	2,550	180	6.6	1,730	1,470	260	15.0
Cowlitz	36,640	33,860	2,780	7.6	37,410	34,780	2,630	7.0	36,360	33,620	2,740	7.5
Ferry	3,140	2,830	310	9.9	2,990	2,680	310	10.4	2,940	2,690	250	8.5
Garfield	1,120	1,100	20	1.8	1,140	1,110	30	2.6	1,170	1,140	30	2.6
Grant	26,530	23,900	2,630	9.9	27,540	25,230	2,310	8.4	26,410	23,690	2,720	10.3
Grays Harbor	25,010	22,730	2,280	9.1	25,600	23,430	2,170	8.5	26,180	23,990	2,190	8.4
Island	20,680	19,810	870	4.2	20,840	20,050	790	3.8	19,770	18,890	880	4.5
Jefferson	8,500	8,090	410	4.8	8,400	8,010	390	4.6	8,310	7,860	450	5.4
Kittitas	11,010	10,050	960	8.7	11,910	10,930	980	8.2	10,840	9,870	970	8.9
Klickitat	8,510	7,630	880	10.3	8,460	7,460	1,000	11.8	8,560	7,710	850	9.9
Lewis	25,780	23,880	1,900	7.4	25,650	23,890	1,760	6.9	25,240	23,240	2,000	7.9
Lincoln	4,770	4,590	180	3.8	4,610	4,440	170	3.7	4,800	4,610	190	4.0
Mason	15,380	14,410	970	6.3	15,220	14,240	980	6.4	13,530	12,560	970	7.2
Okanogan	17,240	15,570	1,670	9.7	16,830	15,070	1,760	10.5	16,520	14,500	2,020	12.2
Pacific	7,940	7,260	680	8.6	7,630	6,960	670	8.8	7,850	7,310	540	6.9
Pend Oreille	3,660	3,230	430	11.7	3,570	3,170	400	11.2	3,530	3,110	420	11.9
San Juan	6,650	6,490	160	2.4	6,310	6,100	210	3.3	6,350	6,160	190	3.0
Skagit	37,260	34,650	2,610	7.0	34,710	32,040	2,670	7.7	36,970	34,350	2,620	7.1
Skamania	2,460	2,160	300	12.2	2,740	2,370	370	13.5	2,230	1,900	330	14.8
Stevens	12,570	11,570	1,000	8.0	12,650	11,640	1,010	8.0	12,240	11,300	940	7.7
Wahkiakum	1,260	1,190	70	5.6	1,190	1,120	70	5.9	1,310	1,220	90	6.9
Walla Walla	24,250	22,920	1,330	5.5	25,030	23,680	1,350	5.4	24,420	22,930	1,490	6.1
Wenatchee Labor Area	44,940	41,170	3,770	8.4	42,880	38,800	4,080	9.5	45,170	41,010	4,160	9.2
Chelan County[2]	30,400	27,570	2,830	9.3	29,000	25,980	3,020	10.4	30,590	27,460	3,130	10.2
Douglas County[2]	14,540	13,600	940	6.5	13,880	12,820	1,060	7.6	14,590	13,550	1,040	7.1
Whitman	17,910	17,540	370	2.1	17,870	17,480	390	2.2	17,340	16,860	480	2.8

[1] Official U.S. Department of Labor, Bureau of Labor Statistics data

[2] Estimates are determined by using the Population/Claims share disaggregation methodology.

Note: Detail may not add due to rounding.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WALLA WALLA
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ASOTIN
3.9%
SKAMANIA
12.2%
KLICKITAT
10.3%
CLARK
5.5%

STATE OF WASHINGTON = 5.7%

ESTIMATED AVERAGE HOURS AND EARNINGS OF PRODUCTION WORKERS IN MANUFACTURING AND OF NONSUPERVISORY WORKERS IN NONMANUFACTURING ACTIVITIES, STATE OF WASHINGTON

	Prelim July Production Workers/ Nonsupervisory Workers	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
		July 89	June 89	July 88	July 89	June 89	July 88	July 89	June 89	July 88
TOTAL MANUFACTURING INDUSTRIES*	216,806	$507.73	$503.06	$477.53	40.2	40.8	39.4	$12.63	$12.33	$12.12
SELECTED MANUFACTURING INDUSTRIES										
Lumber and Wood Products	36,177	$475.30	$457.94	$429.78	38.8	40.1	37.7	$12.25	$11.42	$11.40
Primary Metal Industries	10,548	$531.68	$534.66	$536.54	41.7	42.0	43.2	$12.75	$12.73	$12.42
Fabricated Metal Products	9,305	$498.56	$500.11	$458.14	41.0	41.4	40.4	$12.16	$12.08	$11.34
Machinery	22,465	$367.41	$381.23	$371.67	37.0	39.1	39.0	$9.93	$9.75	$9.53
Food and Kindred Products	24,929	$387.86	$361.86	$351.46	38.1	36.7	35.9	$10.18	$9.86	$9.79
Chemical and Allied Products	4,209	$617.71	$615.50	$614.72	40.8	40.6	38.3	$15.14	$15.16	$16.05
Transportation Equipment	60,762	$646.49	$644.47	$607.89	43.8	44.6	42.9	$14.76	$14.45	$14.17
SELECTED NONMANUFACTURING INDUSTRIES										
Construction	83,790	$629.97	$618.38	$594.08	37.7	37.5	37.2	$16.71	$16.49	$15.97
Wholesale and Retail Trade (does not include eating and drinking establishments)	306,078	$333.61	$323.23	$314.22	33.6	33.6	32.8	$9.87	$9.62	$9.58

* Average hourly earnings for all manufacturing production workers reported in this table do not exactly reflect the official US Bureau of Labor Statistics definition of "wages." While these data still constitute a valid economic indicator series, they should not be used at this time for the negotiation of contracts whose monetary provisions depend upon official US Bureau of Labor Statistics hourly earning data.

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